

**ELIAS MOTSOALEDI  
LOCAL  
MUNICIPALITY**

**2018/2019**

**DRAFT ANNUAL REPORT**



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## ACRONYMS

AG	: Auditor General
AFS	: Annual Financial Statements
ANC	: African National Congress
AIDS	: Acquired immunodeficiency syndrome
BPSA	: Bolshevik Party of South Africa
CDW	: Community development worker
CFO	: Chief Financial Officer
CLLR	: Councilor
COGHSTA	: Department of Corporative Governance, Human Settlement and Traditional Affairs
COGTA	: Department of Corporative Governance and Traditional Affairs
CPMD	: Certificate Programme in Management Development
CWP	: Community Works Programme
EMLM	: Elias Motsoaledi Local Municipality
DA	: Democratic Alliance
EFF	: Economic Freedom Fighters
EPWP	: Expanded Public Works Programme
ESS	: Employee Self Service
EXCO	: Executive Committee
FBE	: Free Basic Electricity
GIS	: Geographic Information System
GRAP	: General Recognized Accounting Practice
HIV	: human immunodeficiency virus
HR	: Human Resources
ICT	: Information Communication Technology
IDP	: Integrated Development Plan
INEP	: Integrated National Electrification Program
KM	: Kilometre
LAC	: Local AIDS Council
LGAAC	: Local Government Advanced Accounting Certificate
LUMS	: Land Use Management System
LGSETA	: Local Government Sector Education Training Authority
LGMIM	: Local Government Municipal Improvement Model
LED	: Local Economic Development
LLF	: Local Labour Forum
MIG	: Municipal Infrastructure Grant
MP	: Mpumalanga Party
MPAC	: Municipal Public Account Committee
MFMA	: Municipal Finance Management Act
MFMP	: Municipal Finance Management Programme
MSA	: Municipal Systems Act
Mscoa	: Municipal Standard Charts of Accounts
N/A	: Not applicable
NRSA	: National Archive Regulation of South Africa
OHS	: Occupational Health and Safety
PMS	: Performance Management System
SAMEBA	: South African Maintenance and Estate Beneficiaries Association

SCM	: Supply Chain Management
SDBIP	: Service Delivery and Budget Implementation Plan
SDM	: Sekhukhune District Municipality
SMME	: Small, Medium and Micro Enterprises
SPLUMA	: Spatial Planning and Land Use Management Act
TB	: Tuber Colossus
WSP	: Work Skill Plan

## **VISION**

The agro-economical and ecotourism heartland



## **MISSION**

The Elias Motsoaledi Local Municipality is committed to:

- To ensure provision of sustainable services
- To deepen democracy through public participation and communication
  - Provision of services in a transparent, fair and accountable manner
    - Provide public value for money
- To create a conducive environment for job creation and economic growth

# **CHAPTER 1**

## **MAYOR'S FOREWORD AND EXECUTIVE SUMMARY**

## 1. MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD

#### 1.1 Mayor's foreword



**Councillor Julia Lata Mathebe**

Mayor: Elias Motsoaledi Local Municipality

#### VISION

##### **"The agro-economical and ecotourism heartland"**

The vision statement of the municipality which serves as a blueprint for developmental programme is "The agro-economical and ecotourism heartland". It dawns upon the leadership that providing the complete account on the responsibilities conferred upon the entire municipality will always be a daunting task to the electorate. This report is therefore intended to attest to the collective efforts of the administrative and political arms of the municipality to progressively address the expectations of our people.

#### INTRODUCTION

It is a pleasure for me to present Elias Motsoaledi Local Municipality 2018/2019 Annual Report to our residents and other interested parties. The 2018/2019 annual report gives a detailed review of the municipality's activities on actual performance at the end of the fiscal year reporting on how the IDP and budget were implemented. It also describes the work of the municipality in fulfilling its Constitutional mandate and in meeting its obligations as dictated by the applicable local government legislation. Despite the effects of the economic difficult times, the municipality continued to provide quality service delivery to our community.

#### KEY POLICY DEVELOPMENTS

During planning phase, the municipality had an engagement with the province and Sekhukhune district municipality to ensure alignment of provincial and municipal growth inclusive of development strategy hence the IDP has incorporated projects for both province and district municipality. The IDP was therefore tabled before council for adoption and was submitted to all sector departments and the district.

The Municipality's performance is measured by satisfying its key developmental objectives which are as follows:

- Ensuring sustainable and qualitative service delivery
- Improving Local Economy through revised LED strategy
- Achieving an unqualified audit opinion
- Facilitating and regularly updating the indigent register accurately
- Ensuring that monies owed to the municipality is collected
- Continuing to participate in programmes of HIV and AIDS, TB, Cancer through Local Aids Council (LAC).

- Improving Records Management System in terms of NARSA Act
- Conducting Public Participation and ensure the functionality of all governance structures
- Fast tracking the implementation of infrastructure projects
- Strengthening the relationship with the traditional leaders

#### **KEY SERVICE DELIVERY IMPROVEMENTS**

The Municipality core service delivery functions are categorized into three: Electricity, Access roads and waste management. Municipality has 02 licensed landfill site in Groblersdal and Roosenekal and one transfer station in Hlogotlou for the year under review, 7.71km of roads were constructed, 70km gravelled and 536.6km bladed. Municipality is licensed to provide electricity in 2 wards, ward 13 and ward 30 (Groblersdal and Roosenekal areas). The other 29 wards are Eskom licensed areas. Municipality has a backlog of 4% (3268) households without electricity. A total number of 55698 Households (96%) has access to Electricity (serviced both Eskom and EMLM). Total number of 1188 households were electrified in three villages namely Makaepa, Tambo village and Masakaneng. Municipality in collaboration with Department of Public Works created 1760 work opportunities through EPWP and CWP programmes. In addition, the Gold Rush Gaming Group has created 43 permanent employment opportunities by opening a new branch at Groblersdal Regional Mall.

#### **PUBLIC PARTICIPATION**

Municipality has 310 ward committees made out of 31 wards. Ward committees together with ward councillors conducts public meetings in their respective wards and submit monthly reports to the Speaker. During the year under review 27 public meetings were held in different wards. Public participation process is used to inform communities about success and challenges that municipality encounter during service delivery. Public participation sessions were conducted through 2019/2020 IDP and Budget process where communities were given an opportunity to raise their needs to be incorporated in the 2019/2020 IDP and budget and only prioritized and budgeted needs were incorporated in the reviewed 2019/2020 IDP and budget for implementation.

#### **AGREEMENTS / PARTNERSHIPS**

Municipality is partnering with NYDA for implementation of entrepreneurship artisan programme for youth development.

#### **CONCLUSION**

I wish to thank all councillors, staff, and resident's stakeholders in particular rate payers for their contributions to pay for services. Together we strive to take our municipality forward.

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**J. L. MATHEBE  
MAYOR**

## **COMPONENT B: EXECUTIVE SUMMARY**

### **1.2 Executive Summary**



This report records the progress made by the Municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery and Budget Implementation Plan. It also reflects on challenges and priorities for the 2019/2020 financial year. Chapter 12 of MFMA Section 121 (1) stipulates that every municipality must for each financial year prepare an annual report in accordance with this Chapter. EMLM has compiled the annual report to comply with legislation to give members of community and all stakeholders the performance of the municipality as to how the IDP and budget was implemented.

The municipality is established to perform the following functions:

Schedule 4 Part B	Schedule 5 Part B
<ul style="list-style-type: none"><li>▪ Air pollution</li><li>▪ Building regulations</li><li>▪ Child care facilities</li><li>▪ Electricity and gas reticulation</li><li>▪ Local tourism</li><li>▪ Municipal planning</li><li>▪ Municipal public transport</li><li>▪ Municipal public works</li><li>▪ Storm-water management systems in built-up areas</li><li>▪ Trading regulations</li></ul>	<ul style="list-style-type: none"><li>▪ Billboards and the display of advertisements in public places</li><li>▪ Cemeteries, funeral parlours and crematoria</li><li>▪ Cleansing</li><li>▪ Control of public nuisances</li><li>▪ Control of undertakings that sell liquor to the public</li><li>▪ Facilities for the accommodation, care and burial of animals</li><li>▪ Fencing and fences</li><li>▪ Local sport facilities</li><li>▪ Municipal parks and recreation</li><li>▪ Municipal road</li><li>▪ Public places</li><li>▪ Refuse removal, refuse dumps and solid waste disposal</li><li>▪ Street trading</li><li>▪ Street lighting</li><li>▪ Traffic and parking</li></ul>

Municipality does not have sharing of powers with any entity nor the sector departments. It only monitors some of the projects which are implemented by sector departments within the jurisdiction of the municipality such as housing projects. The municipality also signs the memorandum of understanding with the Department of Roads on behalf of licensing functions and Department of Public Works for EPWP projects

The Municipality had a total revenue budget of R540, 685 million that was adjusted upwards to R549, 746 million during budget adjustment. The actual revenue realized is R402, 773 million and this resulted in under-performance variance of R146, 973 million. All gazetted grants and subsidies amounting to R313, 986 million as well as an additional MIG allocation of R8 million and R21 million from COGHSTA were received during the financial year under review and they contributed a major portion of source of funding for capital budget of the municipality and the grants dependency rate was 77% on capital expenditure budget and 74% on revenue budget. The municipality had unspent Municipal Infrastructure Grant (MIG) of R3, 558 million and COGHSTA of R21, 771 million in 2018/19 financial year and it applied for the roll over that was approved by National Treasury. Other conditional grants that is FMG and EPWP achieved 100% spending.

For the year under review, the municipality obtained Qualified audit opinion which is a regress from previous financial year 2017/2018 where municipality obtained Unqualified audit opinion.

Municipality has 07 senior manager positions 06 filled and 01 vacant (CFO) and municipal manager on suspension. 06 senior managers concluded their performance agreements. 2017/2018 performance assessments were conducted and no one qualified for performance bonus. 2018/2019 Mid-year performance were also assessed. All assessments took place in February 2019.

Council has adopted the Risk Management Policy, Risk Management Strategy and Risk registers (Strategic and Operational) that enable management to proactively identify and respond appropriately to all significant risks that could impact on business objectives. In line with the approved Risk Management Policy and Risk Management Strategy a top down approach has been adopted in developing the risk profiles of the organization. The results of the strategic and operational assessments were used to compile a risk register. Below is the top five risks identified and mitigation measures were implemented to address the risks.

- Inadequate strategies for financial sustainability
- Fraud, theft and corruption
- Failure to maintain proper accounting and management records
- Labour unrest/industrial action
- Land use disputes

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**M.M KGWALE**  
**ACTING MUNICIPAL MANAGER**

### 1.3 MUNICIPAL OVERVIEW

Elias Motsoaledi Local Municipality is situated in Groblersdal area in Limpopo province. The municipality is in North East of Pretoria and is situated approximately 32 km from Loskop Dam, 100 km north of Bronkhorstspruit, 115 km northwest of Witbank (Emalahleni), and 25 km south of Marble Hall. Accessibility is mainly via the R25 road, which links the area with Oliver Tambo International Airport in Johannesburg; and via the N11 with Middelburg.

The municipality is the second largest Municipality within Sekhukhune District Municipality (SDM) which comprise of a total of five local municipalities. Sekhukhune District Municipality is the second poorest District among South Africa's 13 nodal points identified as poor and requiring careful developmental measures. The Municipality comprises of an estimated 62 settlements most of which are villages R293 areas and the Groblersdal Town. The municipality consists of 31 Wards and 61 Councillor's and it is a category B municipality which shares the Executive and legislative authority with Sekhukhune District Municipality (Category C) within whose area it falls. The municipality is established to perform the following functions:

**Table 1**

Schedule 4 Part B	Schedule 5 Part B
<ul style="list-style-type: none"> <li>● Air pollution</li> <li>● Building regulations</li> <li>● Child care facilities</li> <li>● Electricity and gas reticulation</li> <li>● Local tourism</li> <li>● Municipal planning</li> <li>● Municipal public transport</li> <li>● Municipal public works</li> <li>● Storm-water management systems in built-up areas</li> <li>● Trading regulations</li> </ul>	<ul style="list-style-type: none"> <li>● Billboards and the display of advertisements in public places</li> <li>● Cemeteries, funeral parlours and crematoria</li> <li>● Cleansing</li> <li>● Control of public nuisances</li> <li>● Control of undertakings that sell liquor to the public</li> <li>● Facilities for the accommodation, care and burial of animals</li> <li>● Fencing and fences</li> <li>● Local sport facilities</li> <li>● Municipal parks and recreation</li> <li>● Municipal road</li> <li>● Public places</li> <li>● Refuse removal, refuse dumps and solid waste disposal</li> <li>● Street trading</li> <li>● Street lighting</li> <li>● Traffic and parking</li> </ul>

#### 1.2.1 Population group

**Table 2: Total Municipal Population**

Population	2011	2016	% Incr.
Males	115503	125 133	8.34%
Females	133860	143 123	6.92%
Total	249 363	268 256	7.58%

Source: STATS SA, Census 2011 and Community Survey 2016

Of the total population of 268 256(97, 9%) is African black, with the other population groups making up the remaining (2, 1%).

**Table 3: Population by Ethnic Group**

Group	Percentage
Black African	97,6%
Coloured	0,2%
Indian/Asian	0,1%
White	2,1%
Other	-
<b>TOTAL</b>	<b>100%</b>

Source: 2016 STATS SA Community survey

**Table 4: Population by Age Group**

Age	Males	Females
0-4	6,4%	6,3%
5-9	6,2%	6,1%
10-14	5,7%	5,7%
15-19	7,0%	7,2%
20-24	6,2%	5,7%
25-29	5%	5,4%
30-34	3,6%	4,1%
35-39	2,0%	3,0%
40-44	1,7%	2,3%
45-49	1,6%	2,2%
50-54	1,2%	2,2%
55-59	1,2%	1,7%

Source: 2016 Stats SA Community survey

**Table 4: Household by Ethnic and Gender Group**

Population Group	Females	Male	Total
Black African	34 111	30 339	64450
Colored	106	34	140
Indian or Asian	0	78	78
White	470	1220	1 690
Other	-	-	-
<b>TOTAL</b>	<b>34,688</b>	<b>31,671</b>	<b>66,359</b>

Source: Stats SA. CS 2016

- There are 53.7% females and 46.3% males within the Municipality
- There is a large segment of youth (under 19 years) which comprises 47.9% of the total population

**Table 5: Economic profile (employment)**

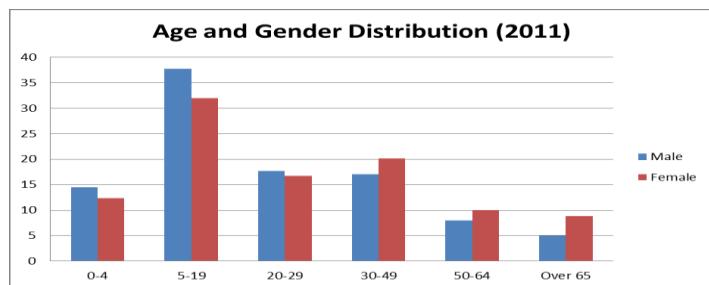
Economic Indicators	
Employment Category	Percentage
Employed	57,1%
Unemployed	42,9%
Total	100%

Source: Stats SA Census 2011

- There are more females 53.7% than males 46.3% within the Municipality.
- The Municipal population is characterised with a large segment of youth (under 19 years) which comprises of 47.9% of the total population.

Based on the age structure breakdown of the Municipality, it is evident that the population is “young”, which is prevalent in a developing country. With the “young” age structure, increased pressure will be on the delivery of Housing, Social Facilities and Job Creation within the Municipality

**Graph 1: Age and gender distribution**



Source: Stats SA Census 2011

**Table 6: Language Preference within the municipality**

Language	%
Afrikaans	2,2%
English	0,2%
Isindebele	15%
Isixhosa	0,2%
Isizulu	8,4%
Sepedi	59,9%
Sesotho	1,1%
Setswana	7,1%
Sign language	0,0%
Siswati	1,5%
Tshivenda	0,2%
Xitsonga	1,5%
Other	0,5%
Not applicable	2,2%

Source: Stats SA .CS 2016

**Table 7: The marital status within the municipality**

Group	%
Married	16,6%
Living together	2,4%
Never married	50,6%
Widower/widow	2,2%
Separated	0,1%
Divorced	0,4%

The tables below indicate the tenure status in the municipal area. There is a clear indication that more of the land is occupied by individuals who have ownership than those that rent. The average household size has declined from 4.5 to 4.1 in 2001 and 2011 respectively.

**Table 8: Age structure**

Age	2011	%	2016	Percentage %
0-14	89 772	36	89 680	33,4
15-65	142 136	57	156229	58,2
65+	17 455	7	22347	8,3
<b>Total</b>	<b>249 363</b>	<b>100</b>	<b>268256</b>	<b>99,9</b>

Source: Stats SA 2011and CS 2016

### 3.1.3. HOUSEHOLD DISTRIBUTION (Source: STATS SA community survey 2016)

The average household size of 4:1 person has been influenced by the fact that approximately (38, 7%) of households have two (2) or less occupants. This phenomenon could be as a result of several factors including incorrect baseline data or that younger people have set up their own homes but this is contrary to the statistics with respect to age which reflects that there is a large segment of youth (under 19 years) which comprises 47.9% of the total population.

**Table 9: Household Size**

Household Size	Number 2016
1	15, 524
2	10, 015
3	9, 402
4	9, 268
5	7, 739
6	5, 513
7	3, 111
8	2, 214
9	1, 405
10+	2, 169
<b>Total</b>	<b>66, 359</b>

**Source:** stats SA. CS 2016

Interesting to note that (58, 1%) of all households are owned with the majority fully paid off.

**Table 10: Tenure Status**

Tenure Status	2016
Rented	3, 834
Owned but not yet paid off	5, 120
Occupied rent-free	14, 247
Owned and fully paid off	37, 498
Other	5, 152
Total	65, 851

**Source:** Stats SA. CS 2016

Another notable feature of the household statistics is that approximately (87, 4%) of all dwellings can be classified as formal structures as reflected in the following table.

**Table 11: Type of dwelling per household**

Type Of Dwelling	2016
House or brick/concrete block structure on a separate stand or yard or on a farm	48, 781
Traditional dwelling/hut/structure made of traditional materials	2, 740
Flat or apartment in a block of flats	192
Cluster house in complex	12
Townhouse (semi-detached house in a complex)	29
Semi-detached house	559
House/flat/room in backyard	
Informal dwelling (shack; in backyard)	2, 404
Informal dwelling (shack; not in backyard; e.g. In an informal/squatter settlement or on a farm)	1, 028
Room/flat let on a property or larger dwelling/servants quarters/granny flat	771
Caravan/tent	21
Other	1, 408
<b>TOTAL</b>	<b>66, 359</b>

**Source:** Stats SA. CS 2016

**Table 12: Natural resources within EMLM**

Natural Resources	
Major Natural Resource	Relevance to Community
Minerals	Economic empowerment and job creation
Dam	Agricultural use and consumption
Caves	Tourist attraction ( Roossenechal)
Land	Agricultural and human settlement

#### **1.4 SERVICE DELIVERY OVERVIEW**

The Municipality core service delivery functions are categorized into three: Electricity, Access roads and waste management. Municipality has 02 licensed landfill site in Groblersdal and Roosenekal and one transfer station in Hlogotlou. In the year under review, 7.71km of roads were constructed, 70km gravelled and 536.6km bladed. Municipality is licensed to provide electricity in 2 wards, ward 13 and ward 30 (Groblersdal and Roosenekal areas). The other 28 wards are Eskom licensed areas. Municipality has a backlog of 4% (3268) households without electricity. A total number of 55698 Households (96.%) has access to Electricity (serviced both Eskom and EMLM). Total number of 1188 households were electrified in three villages namely Makaepa, Tambo village and Masakaneng. Municipality in collaboration with Department of Public Works created 1760 work opportunities through EPWP and CWP programmes. In addition, the Gold Rush Gaming Group has created 43 permanent employment opportunities by opening a new branch at Groblersdal Regional Mall.

The municipality provides waste management services that include waste collection, street cleaning, clearing of illegal dumping, and waste disposal. Regular solid waste collection service is provided to business, institutions and households within the jurisdiction of the municipality. Waste collection from residential premises is carried out on a weekly basis and bi-weekly from business premises. Housing function is provided by the Department of Corporative Governance, Human Settlement and Traditional Affairs. Water and sanitation is provided by Sekhukhune District municipality. Reliance on other sectors departments for services impose is a major challenge to the municipality.

The municipality is responsible for 100% access to local roads which include all streets in town, townships and villages. It ensures regular maintenance of roads with the objective of addressing specific needs. The majority of municipal roads are gravel roads.

#### **1.5 FINANCIAL HEALTH OVERVIEW**

EMLM is a rural municipality with high volume of outstanding consumer debtors and this leads to financial burden with none and/or under-payment for municipal services. The municipality has however developed the Revenue Enhancement Strategy to address this challenge since the outstanding debt affects the cash-flow status of the municipality.

The Municipality had a total revenue budget of R540, 685 million that was adjusted upwards to R549, 746 million during budget adjustment. The actual revenue realized is R402, 773 million and this resulted in under-performance variance of R146, 973 million. All gazetted grants and subsidies amounting to R313, 986 million as well as an additional MIG allocation of R8 million and R21 million from COGHSTA were received during the financial year under review and they contributed a major portion of source of funding for capital budget of the municipality and the grants dependency rate was 77% on capital expenditure budget and 74% on revenue budget. The municipality had unspent Municipal Infrastructure Grant (MIG) of R3, 558 million and COGHSTA of R21, 771 million in 2018/19 financial year and the roll over still need to be applied for the unspent portion of conditional grants. The other conditional grants, that is FMG and EPWP achieved 100% spending.

### 1.5.1 EXPENDITURE

The original budget for operating expenditure was R471, 308 million that was adjusted downwards to R449, 168 million and the actual expenditure thereof is R409, 840 million. This reflects a positive variance of R39, 328 million. The major portion of operating expenditure is employee related cost that had original budget of R134, 149 million and the budget was adjusted downwards to R130, 473 million and the actual expenditure thereof is R138, 708 million and this reflected over-spending variance of R8, 235 million that is attributed to long service award and post retirement employee benefit obligation.

**Table 12: Summary of financial overview**

Details	Financial Overview – 2018/19 R'000		
	Original Budget	Adjustment Budget	Actual
Grants	309 180	339 328	313 986
Taxes, levies and tariffs	138 196	122 935	118 378
Other	93 309	87 483	39 071
<b>Sub -Total</b>	<b>540 685</b>	<b>549 746</b>	<b>471 435</b>
Less Expenditure	-	449 168	-
<b>Net Total</b>	<b>69 377</b>	<b>100 578</b>	<b>61 595</b>

**Table 13: Operating ratios**

Operating Ratios	
Detail	%
Employee Costs	39,51%
Repairs & Maintenance	0,01%
Capital cost	0,39%

**Table 14: Total capital expenditure**

Detail	Total Capital Expenditure (R'000)	
	2017/18	2018/19
Original Budget	77 302	75 869
Adjustment Budget	110 949	97 258
Actual	108 124	68 708

## 1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

### 1.6.1 HUMAN RESOURCES OVERVIEW

Human resource services for the municipality are reasonably effective and efficient, and relatively meet the expectations of the community at large. The department is responsible for attracting skilled workforce, motivating workforce to perform the required tasks and continuous capacity building of personnel. The Municipality has 361 employees. The municipality has 07 critical positions (senior managers) six (06) were filled and one (01) was

vacant (Chief Financial Officer). At the end of the financial year, the position for CFO was advertised and the Accounting Officer was on suspension.

#### **1.6.2 COMMITTEES**

The Municipality established the following committees as per the prescripts in strengthening the human resource management.

- Local Labour Forum Committee
- Occupational Health and Safety Committee
- Training and Development Committee
- Employment Equity Committee/ Affirmative Action Committee
- EAP committee
- Batho Pele committee

#### **1.6.3 BURSARIES**

Municipality assisted 20 students with registration fees at registered tertiary institutions to the value of R212 000. Preference was awarded to students from poor family backgrounds.

#### **1.6.4 WORKPLACE SKILLS PLAN (WSP)**

Municipality has developed the WSP for the year for 2018/2019 and it was submitted to LGSETA during April (month) 2017 together with the Annual Training report for the year under review. 61 employees and 12 councillors received training for the year under review. No mandatory grants in the form of rebates were received from the LGSETA for the year under review.

### **1.7 AUDITOR GENERAL'S REPORT**

The audit finding for 2018/2019 financial year was an unqualified opinion; refer to the attached Auditor General report on chapter 6. Municipality qualified opinion for the previous six years (2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016 and 2016/2017). Audit Action Plan is in place as a corrective measure for improvement on the findings.

<b>Basis for qualified opinion</b>			
No.	<b>2015/2016</b>	<b>2016/2017</b>	<b>2018/2019</b>
1.	Property rates	Revenue. Unknown properties on the valuation roll	(Not applicable)
2.	Property plant and equipment	VAT receivable	
3.	Fruitless and wasteful expenditure	Payables from exchange transactions	
4.	Irregular expenditure	Lease rentals on operating lease	
5.		Receivables from exchange transactions	
6.		Section 32 Expenditures (Irregular, fruitless and wasteful and unauthorised expenditures)	

## 1.8 STATUTORY ANNUAL REPORT PROCESS FOR 2018/2019

**Table 16: statutory annual report process**

No	Activity	Date	Responsibility
1	Finalise 4 <sup>th</sup> quarter report for previous financial year	30 July 2019	Municipal Manager
3	Audit/Performance Committee considers draft annual report of municipality	17 August 2019	Municipal Manager
4	Municipality submits draft annual report, including the consolidated annual financial statements and the performance report, to the Auditor General.	31 August 2019	Municipal Manager
5	Auditor General assesses draft annual report, including the consolidated annual financial statements and performance data	31 August – 28 November 2019	Auditor General
6	Municipalities receive and start to address the Auditor General's comments	30 November 2019	Municipal Manager
7	Mayor tables annual report and audited financial statements to council, complete with the Auditor General's Report	24 January 2020	Mayor
8	Audited annual report is made public and representation is invited	29 January 2020	Municipal Manager
9	MPAC Committee assesses the annual report	07-08 March 2020	MPAC Chairperson
10	Council adopts oversight report	26 March 2020	Council
11	Oversight report is made public	01 April 2020	Municipal Manager
12	Oversight report is submitted to relevant provincial councils	01 April 2020	Municipal Manager

It is also a compliance issue to meet the deadlines, as non-compliance will result in a negative audit opinion for the municipality. Meeting deadlines also assists with receiving feedback, comments and inputs from relevant stakeholders, and helps with rectifying mistakes whilst learning good practice at the same time.

The alignment of IDP, budget and the performance system is important, as the three documents are the strategic documents of the municipality. They serve as a guiding tool to determine whether the municipality is working towards achieving its set goals and objectives, while using the budget in the correct manner, so as to avoid wasting public funds. This is done through the performance management, where there will be quarterly reporting about the performance of the municipality and whether the budget is still aligned to the set objectives, or if it is being spent on something that is not helping achieve set objectives and goals. Performance management helps to give an early indication of non-performance, and allows for the taking of corrective measures as soon as possible.

## **CHAPTER 2**

## **GOVERNANCE**

## **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

### **2 Introduction**

Section 151 (3) of the constitution states that the council of municipality has the right to govern on its own initiative, the local government affairs of the local community. EMLM Council comprises of the political and administrative components responsible for decision-making and implementation respectively. The Mayor is the political head of the Institution and the Speaker is the head of council. The Municipality has all the powers assigned to it in terms of the Constitution as well as relevant national and provincial legislations. The municipality has the authority to take any possible actions to effectively exercise powers assigned to it.

#### **2.1 POLITICAL GOVERNANCE**

Council established Section 80 committees, which provides general oversight, and monitor the activities in the municipality over both the administrative and executive arms of the municipality. These section 80 Committees are chaired by independent councillors other than members of executive committee. The following committees were established:

- Executive Committee (EXCO)
- Municipal Public Accounts Committee (MPAC)
- Section 79 portfolio committee
- Section 80 committee
- Corporate services Portfolio committee
- Infrastructure services Portfolio committee
- Budget and treasury Portfolio committee
- Community Services Portfolio committee
- Development planning Portfolio committee
- Executive Support Portfolio committee

The Speaker is a full-time councillor and takes responsibility of chairing council meetings. The Office of the Council-Whip is established to create synergy and to maintain discipline among councillors from various Political Parties. The Role of the Council-Whip covers both the political and administrative domains of council with emphasis on the political aspect. The Council-Whip deals with the well-being and particularly attendance of all councillors. The Council meetings are governed according to the approved rules of order.

The council comprises of 06 political parties namely: African National congress (ANC) with 41 seats, Economic Freedom Fighters (EFF) with 10 seats, Democratic Alliance (DA) with 05 seats, and Bolshevik Party of South Africa (BPSA) with 03 seats, Mpumalanga Party (MP) with 01 seat and South African Maintenance and Estate Beneficiaries Association (SAMEBA) with 01 seat. The Council of the municipality is composed as follows; 54 part-time Councillors, 7 full-time Councillors namely Mayor, Speaker, Chiefwhip, MPAC Chairperson and three members of the Executice committee of council (EXCO) which consist of ten of the council members.

There is a good relationship between councillors as they work cooperatively to achieve the set goals of the municipality. Every year there is a schedule of meetings that is approved by council, in order to ensure that all committees meet regularly to discuss administrative, performance and service-delivery issues. Councillor's participation in various committees is satisfactory. For the year under review, council held 4 ordinary and 7 special meetings.

. In order to enhance good governance and accountability, Municipality adopted separation of powers model, which separated legislative arm from executive arm. This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit EMLM communities. Council has established section 79 committees to play oversight role and monitor the work of the executive and administration.

**Table 1: Committee annual meetings**

Name of Meeting	Annual Target	Number of meetings convened	Number of meetings materialised	Total number of apologies received
<b>Council committees</b>				
Corporate Services	12	12	12	14
Executive Support	12	09	03	07
Finance Department	12	09	09	05
Infrastructure Department	12	13	13	35
Development Planning	12	10	10	4
Community Services	12	12	12	2
Labour Forum	12	12	12	14
EXCO	11	11	11	9
Special EXCO	-	5	5	4
Council	4	4	4	
Special Council	-	15	15	
MPAC	4	12	12	12
<b>SCM committees</b>				
Specification	As and when	10	10	10
Evaluation	As and when	9	9	9
Adjudication	As and when	9	9	9

**Table 2: EMLM Councillors information**

WARD	PARTY	SURNAME	FULL NAMES	GENDER	CONTACT NO.
1	ANC	Mphela	Mojabeng Amelia	F	078 423 2082
2	ANC	Phatlane	Alfred	M	078 423 2094
3	ANC	Mamakoko	Mokgohlwe Lettie	F	078 423 2010
4	ANC	Moima	Lizzy Mahlatse	F	078 423 2233
5	ANC	Makweoane	Agnes Mapetle	F	078 423 2131
6	ANC	Ndlovu	Raymond Ndumiso	M	078 423 2245
7	ANC	Phala	Magabolle Lucas	M	078 423 2280
8	ANC	Ratlou	Sefako Winter	M	078 423 2067
9	ANC	Ratau	Rose Mmapule	F	078 423 2074
10	ANC	Madisa	Kgadi Francinah	F	078 423 2283
11	ANC	Namane	Given Ranyaba	M	078 423 2038
12	ANC	Phorotlhoe	Thabiso Andries	M	078 423 2033
14	ANC	Bogopa	Botha	M	078 423 2263
15	ANC	Mahlangu	Julia	F	078 423 2177
16	ANC	Zulu	Ben Madolombane	M	078 423 2306
17	ANC	Ratau	Tsimisi Thabiso	M	078 423 2154
18	ANC	Machipa	Toudi Aron	M	078 423 2114
19	ANC	Masimula	Phahlana	M	078 423 2273
20	ANC	Skhosana	Waziwa Jim	M	078 423 2251
21	ANC	Makeke	George Monnana	M	078 423 2127
22	ANC	Matsepe	Motlalekgomo Maria	F	078 423 2088
23	ANC	Mahlangu	Nomsa Ndazi	F	078 423 2259
24	ANC	Mokganyetji	Thomas Mareme	M	078 423 2272
25	ANC	Maphopha	Emily Maabele	F	078 423 2069
26	ANC	Motlafe	Manthwaleng Girly	F	078 423 2059

WAR D	PARTY	SURNAME	FULL NAMES	GENDER	CONTACT NO.
27	ANC	Mokwane	Magdeline Kubane	F	078 423 2149
28	ANC	Maipushe	Sekina Manku	F	0784232118
29	ANC	Malatji	Meriam Nape	F	078 423 2202
30	ANC	Kgopa	Kgabo Silas	M	078 423 2295
31	ANC	Msiza	Mothibe Rhodes	M	078 423 2125
PR1	ANC	Mathebe	Julia Lata	F	078 423 2078
PR2	ANC	Matjomane	Germinor Delly	F	078 423 2200
PR3	ANC	Tladi	Magetle David	M	078 423 2060
PR4	ANC	Phahlamohlaka	Tebogo Mafereke	M	078 423 2234
PR5	ANC	Mehlape	Salminah Hlaole	F	078 423 2036
PR6	ANC	Mmutle	Thabo Nelson	M	078 423 2308
PR7	ANC	Phetla	Mannyane Grace	F	078 423 2281
PR8	ANC	Matsepe	Thapelo Stephina	F	078 423 2179
PR9	ANC	Makunyane	Hlako Justice	M	078 423 2051
PR10	ANC	Mashilo	Malope Samaria	F	078 423 2107
PR11	ANC	Makitla	Ramotlogeli Johannes	M	078 423 2118
PR1	BPSA	Mogotji	Fanie Motshelle	M	078 423 2142
PR2	BPSA	Madondo	Vernatia-Claudia Philile	F	078 423 2035
PR3	BPSA	Mohlala	Moses Themba	M	078 423 2152
13	DA	Oosthuizen	Willem Nicolaas Saaiman	M	078 423 2117
PR1	DA	Alberts	Rots	M	078 423 2066
PR2	DA	Mathebe	Chipane Norman	M	078 423 2186
PR3	DA	Tshivhula	Murathi Pat	M	078 423 2282
PR4	DA	Kotze	Johan Pieter	M	078 423 2063
PR1	EFF	Hlathi	Margaret Zodwa	F	078 423 2195

WARD	PARTY	SURNAME	FULL NAMES	GENDER	CONTACT NO.
PR2	EFF	Shai	Kweletsi Collen	M	078 423 2016
PR3	EFF	Lecheko	Virginia Morotse	F	078 423 2037
PR4	EFF	Ngwenya	Zodwa	F	078 423 2183
PR5	EFF	Ntuli	Mamotale Brenda	F	0837988080
PR6	EFF	Mosotho	Mooimane Tatane	M	078 423 2034
PR7	EFF	Ranala	Maselopi	F	078 423 2171
PR8	EFF	Ntheko	Tshepo Mokgobo	M	078 423 2181
PR9	EFF	Mthombeni	Vensile Lea	F	078 423 2119
PR10	EFF	Maloba	Alpheus Matome	M	078 423 2053
PR1	MP	Ramphisa	Motiba William	M	078 423 2182
PR1	SAMEBA	Matunyane	Nthabiseng Topsion	F	078 423 2124

**Table 3: Executive committee members**

Surname and Initials	Party	Ward no./ PR	Contact number	Gender
Clrl: Mathebe L.J	ANC	PR	078 423 2078	Female
Clrl: Machipa T.A	ANC	18	078 423 2114	Male
Clrl: Matjomane G.D	ANC	PR	078 423 2200	Female
Clrl: Phatlane A	ANC	02	078 423 2094	Male
Clrl: Mmutle T.N	ANC	PR	078 423 2308	Male
Clrl: Mashilo M.S	ANC	PR	078 423 2107	Female
Clrl: Phetla M.G	ANC	PR	078 423 2281	Female
Clrl: Maloba A.M	EFF	PR	078 423 2053	Male
Clrl: Shai K.C	EFF	PR	078 423 2016	Male
Clrl: Kotze J.P	DA	PR	078 423 2063	Male

#### 2.1.1 Section 80 committees

The established section 80 committees are in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit EMLM communities Council has established section 80 committees to play oversight role and monitor the work of the executive and administration.

The established Committees are aligned to administrative departments of the municipality and are chaired by non-executive councillors. MPAC committee is also in place and performs its duties as per approved annual work

programme. MPAC is an oversight committee which comprises of non-executive councillors, with the specific purpose of providing oversight over the executive functionaries of Council to ensure good governance.

**Table 4: Section 79 portfolio committees**

COMMITTEE	CHAIRPERSON	MEMBERS
Municipal Public Accounts Committee (MPAC)	Clr. Hlako Justice Makunyane	1.Clr. M.S. Mohlala 2.Clr. G.M. Motlafe 3.Clr. G.M. Makeke 4.Clr. J. Mahlangu 5.Clr. V.M Lecheko 6.Clr. M.L. Phala 7. Clr. S.H. Mehlape
Rules & Petitions	Clr. S.M. Maipushe	1.Clr. M. R. Msiza 2.Clr. T. M. Mokganyetji 3.Clr. S.W. Ratlou 4.Clr. T. A. Phorothoe 5.Clr. M.N. Malatji 6.Clr. P. Madondo
Ethics	Clr. M.L. Phala	1.Clr. M.G. Motlafe 2. Clr. G.M. Makeke 3. Clr. J. Mahlangu 4. Clr. T.M. Phahlamohlaka 5. Clr. A. Phatlane 6. Clr. V.L Mthobeni 7. Clr. N.T. Matunyane 8. Cllr M.P. Tshivhula
Executive Support	Clr. T.M. Phorothoe	1.Clr. P. Masimula 2. Clr. K.S. Kgopa <b>3. Clr. T.T. Ratau (Whip)</b> 4. Clr.M.B. Ntuli 5. Clr. F.M. Mogotji
Corporate Services	Clr. M.N. Malatji	1.Clr. G.R. Namane 2. Clr. M.L. Mamakoko <b>3. Clr. M.M. Matsepe (Whip)</b> 4. Clr. R.J. Makitla 5. Clr. M.P. Tshivhula 6. Clr. M.T. Mosotho
COMMITTEE	CHAIRPERSON	MEMBERS
Community Services	Clr. T.M. Mokganyetji	1.Clr. M.K. Zulu <b>2. Clr. A.M. Mokweoane (Whip)</b> 3.Clr. M.K. Mokwane 4. Clr. W. Oosthuizen 5. Clr. V.M. Lecheko
Budget & Treasury	Clr. S.W.Ratlou	1.Clr. E.M. Mapophoa <b>2. Clr. L.M. Moima (Whip)</b> 3. Clr. B. Bogopa 4. Clr. J. Kotze 5. Clr. S. Ngwenya
Development, Planning & LED	Clr. N.N. Mahlangu	1.Clr. R.N. Ndlovu 2. Clr. R.M. Ratau <b>3. Clr. S.M. Maipushe (Whip)</b> 4. Clr. N.C. Mathebe 5. Clr. M. Ranala

COMMITTEE	CHAIRPERSON	MEMBERS
Infrastructure	Clr. M.R. Msiza	1.Clr. W.J. Skosana <b>2. Clr.M.A. Mphela (Whip)</b> 3. Clr. K. F. Madisa 4. Clr. T.S. Matsepe 5. Clr. A. Rots 6. Clr. M.Z. Hlathi
Local Geographical Names Change Committee (LGNCC)		1.Clr. K.P. Madisa 2.Leader of Executive Business 3. Chair of Chairs 4. Chairperson of Section 79 Development, Planning & LED 5. Chairperson of Rules & Petition Committee 6. Exco Member- Development, Planning & LED 7. Whip of Council 8. Party Whips of the Opposition Parties in Council 9. District Representative- Clr. M.G. Motlafie 10. Traditional Authorities in Council
Committee of Presiding Officers	Speaker Chair of Chairs	Clr. M.D. Tladi Clr. S.H. Mehlape
Leader of Executive Business	Clr A. Machipa	
Council Whippery	Chief Whip of Council Party Whip of ANC Party Whip of EFF Party Whip of DA Party Whip of BPSA Party Whip of SAMEBA Party Whip of MP	
Sekhukhune District Representatives	<b>Political Party</b> ANC DA EFF	<b>Councilor</b> 1.Clr. M.L. Phala 2.Clr. M.G. Motlafie 3.Clr. S.H. Mehlape 4.Clr. G.M. Makeke 5.Clr. J. Mahlangu 6.Clr. C.N. Mathebe 1. Clr. M.T. Mosotho
<b>SECTION 80 COMMITTEES</b>		
COMMITTEE	CHAIRPERSON	MEMBERS
Budget & Treasury	Clr. T.A. Machipa	1. Clr.T.A. Phorotlhoe 2. Clr. W.J. Skosana 3. Clr. M.A. Mphela (Whip) 4. Clr. M.N. Malatji 5. Clr Matsepe TS 7. Clr Dr Rotze 8. Clr Hlathi M.Z

<b>COMMITTEE</b>	<b>CHAIRPERSON</b>	<b>MEMBERS</b>
<b>COMMITTEE</b>	<b>CHAIRPERSON</b>	<b>MEMBERS</b>
Infrastructure	Clr Matjomane G.D	1. Clr Mokganyetji TM 2. Clr Zulu M.K 3. Clr Makweoane Mk 4. Clr Momwane M.K 5. Clr Kotze 6. Clr Shai K.C
<b>COMMITTEE</b>	<b>CHAIRPERSON</b>	<b>MEMBERS</b>
Community Services	Clr Mashilo S.M	1 .Clr Ratlou S.W 2. Clr Mapophoa E.M 3. Clr Moima L.M 4. Clr Bogopa B 5. Clr Maloba 6. Clr Mathebe C.N
<b>COMMITTEE</b>	<b>CHAIRPERSON</b>	<b>MEMBERS</b>
Corporate Services	Clr Phatlane A	1.Clr Msiza M.R 2. Clr Masimula P 3. Clr Kgopa K.S 4. Clr Ratau T 5. Clr Ntuli MB 6. Clr Oosthuizen W
<b>COMMITTEE</b>	<b>CHAIRPERSON</b>	<b>MEMBERS</b>
Development Planning	Clr Mmutle N.T	1.Clr Madisa K.F 2.Clr Namane G.R 3.Clr Mamakoko M.L 4.Clr Matspe N.M 5.Clr Makitla R.J 6.Clr Mosotho M.T 7.Clr Tshivhula M.D
<b>COMMITTEE</b>	<b>CHARPERSON</b>	<b>MEMBERS</b>
Executive Support	Clr Phetla PM	1.Clr Ndlovu R.N 2.Clr Ratau R.M 3.Clr Maipushe S.M 4.Clr Ranala M 5.Clr Mogotji F.M 6.Clr Mahlangu W.N

## **2.1.2 POLITICAL LEADERSHIP**

### **POWERS AND FUNCTIONS OF MAYOR AS PER SECTION 52 OF THE MUNICIPAL SYSTEMS ACT**



**Councillor Julia Lata Mathebe**

#### **Mayor**

- Provide general political guidance over the fiscal and financial affairs of the municipality.
- In providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities
- Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.
- Must within 30 days of the end of each quarter submit a report to council on the implementation of the budget and the financial state of affairs of the municipality.
- Must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by council to the mayor.

## POWERS AND FUNCTIONS OF THE SPEAKER



Speaker

Councillor Magetle David Tladi

- To preside at meetings of the council where he/she is present;
- To ensure that the council meets at least quarterly;
- To ensure compliance with the code of conduct for councillors, standing rules and order and other relevant governing laws in the meetings of council and council's committees;
- To maintain order during meetings of the council;
- Ensure that the provisions in respect of privileges and immunities of councillors, as set out in section 28 of the structures act or any other applicable legislation, are adhered to.
- To ensure that council meetings are conducted in accordance with the rules and orders of the council;
- Determine the date and venue of ordinary council meetings;
- To convene special meetings of the council at the venue determined by her and at the time set out in any request that such a meeting be convened in terms of section 29(1) of the structures act.
- Ensures that councillor's motions are prepared and timeously tabled in terms of the procedural rules of Council

## POWERS AND FUNCTIONS OF COUNCIL WHIP



### Council Whip

#### Cllr. Tebogo Phahlamohlaka

The Notice on the Upper Limits on Councillor Remuneration has introduced the Office of the Whip of Council in 2006. The Chief Whip of Council is not an Office Bearer in terms of the LG: Municipal Structures Act, so the Council is not legally obliged to adopt a terms of reference for the Whip. It is, however, advisable to commit to a clear definition of the role of the Whip in relation to that of the Speaker. The Council of EMLM resolved to include and elect a Chiefwhip in its structure, whilst there are no statutory functions for the Whip of Council, the SALGA Guideline Document on the Roles and Responsibilities of Councillors, Political Structures and Officials (March 2011) cites the following as the functions of the Whip of the Council: -

- Political management of council meetings and committee meetings
- Inform councillors of meetings called by the Speaker and the Mayor and ensuring that such meetings quorate
- Advises the Speaker and Mayor on the Council agenda
- Informs councillors on important matters on the relevant agenda
- Advise the Speaker on the amount of time to be allocated to speakers and the order of such speakers
- Addressing the Council
- Assisting the Speaker in the counting of votes
- Advising the Speaker and the Mayor of urgent motions
- Advising the Speaker and Mayor on how to deal with important items
- Advising the Speaker and Mayor on how to deal with important items not disposed of at a Council meeting

The Council Whip is accountable to the Council

### MEMBERS OF EXECUTIVE COMMITTEE



Cllr Matjomane Germinor Delly  
Political Head Infrastructure  
Treasury



Cllr Phatlane Alfred  
Political Head Corporate Services



Cllr Machipa Aron  
Political Head Budget and



Cllr Mashilo Samaria Malope  
Political Head Community Services



Cllr Phetla Mannyana Grace  
Political Head Executive Support



Cllr Mmutle Thabo Nelson  
Political Head Planning & LED



Cllr Maloba Alpheus Matome  
EXCO Member



Cllr Shai Kweletsi Collen  
EXCO Member



Cllr Kotze Johan Pieter  
EXCO Member

#### FUNCTIONS OF EXECUTIVE COMMITTEE AS PER DELEGATION OF POWERS

- Oversee and monitor the implementation and enforcement of the municipality's credit control and debt collection.
- Policy and by-laws and the performance of the municipal manager in implementing the policy and by-laws;
- When necessary, evaluate or review the municipality's credit control and debt collection policy and by-laws, or the implementation of the policy and by-laws, in order to improve efficiency of its credit control and debt collection mechanisms, processes and procedures;
- makes recommendations to council on proposed political structures of council;
- To report to council on all decisions taken by it; and makes recommendations to council in respect of its legislative powers;
- gives political directions to executive management team;
- determine strategic approaches, guidelines and growth parameters for the draft budget including tariff structures;
- delegates powers in respect of any of its powers to the mayor;

#### 2.1.3 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the administrative head and act as interlink between the politicians and the administration. Municipal Manager together with all staff members and councillors are responsible for implementing the IDP and Budget and monitoring the progress made to ensure that services are delivered to the people. The Accounting Officer also provides guidance to political office bearers and to all officials in the municipality. There is a good relationship between the Municipal Manager, administration and political office bearers. All administrative issues that need intervention of council are referred to council for resolution.

The municipality during the financial year under review (2018 / 2019) advertised and filled the following Senior Management post namely: Development Planning. By the end of the financial year, there was only one vacant post of Chief Financial Officer. The administrative components of the municipality comprise of seven (7) senior managers and 27 divisional managers.

**Table 5: EMLM management information**

Directorate	Designation	Initial and Surname	Gender
Office of the Municipal Manager	Municipal Manager	Ms R.M Maredi	Female
	Manager: Internal Audit	Mrs. V. P. Mokoele	Female
	Chief Risk Officer	Mr L. K. Mathebe	Male
	Manager: IDP	Mr. K. J Motha	Male
	Manager: PMS	Ms R.P. Mdluli	Female
	Manager: Legal services	Ms PZP. Masutha	Female
Executive Support	Senior manager : Executive support	Mr. M M Kgwale	Male
	Manager: Communications	Mr. S. T Makua	Male
	Manager: Council Support	Mrs M Burger	Female
	Manager: IGR	Mr. M. J. Mathebe	Male
	Manager: Mayor Support	Vacant	
Corporate	Senior Manager : Corporate Services	Mr. N.D Matumane	Male

<b>Directorate</b>	<b>Designation</b>	<b>Initial and Surname</b>	<b>Gender</b>
Services	Manager: Human Resources and Development	Mr. L.M. Mafiri	Male
	Manager: Administration and Records	Mr. G.M Ditshego	Male
	Manager: ICT	Mr T. L. Mashaba	Male
Finance	Chief Financial Officer	Mr. P. G. Maphezo	Male
	Deputy CFO	Mr. M.L. Sebelemeleja	Male
	Manager: Expenditure	Mr. C. Mtsweni	Male
	Manager: Budget and Treasury	Ms. K.U Sebelebele	Female
	Manager: Assets	Mr. M. C Tjane	Male
	Manager: Supply Chain Management	Mr M P. Mthimunye	Male
	Manager: Revenue	Vacant	-
Infrastructure	Senior Manager : Infrastructure	Ms. M.R Makgata	Female
	Electrical Engineer	Mr K.K. Mametsa	Male
	Manager: PMU	Mr. F. Debeila	Male
	Superintendent Roads Construction Unit	Mr. J Malaka	Male
Community Services	Senior manager: Community Services	Ms. E Kegopotsemang	Female
	Manager: Environmental services	Ms M Mokhulwane	Female
	Manager: Licensing	Ms. M.V Matlala	Female
	Manager: Traffic	Mr. C Coetzee	Male
	Manager: Fleet	Mr. V Masilela	Male
	Manager: Hlogotlou	Mr. L. A Madiba	Male
	Manager: Rooszenekal	Mr. M.J Maboa	Male
Development Planning	Manager: Motetema	Mr. C. C. Masemola	Male
	Senior manager : Development Planning	Mr. N. W. Phala	Male
	Manager: Development and Town Planning	Mr. B. Sethojoa	Male
	Manager: LED	Mr Sebei	Male
	Manager: Property Management and Housing	Mr. R Palmer	Male

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.2 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

There are platforms established to maintain relationship between all three spheres of government. The purpose of the platforms is consultation with various interest groups and all other key stakeholders to insure that sectoral issues and projects are well captured within the IDP of the municipality for implementation.

#### 2.2.1 Intergovernmental relations

## **2.2.2 District intergovernmental structures**

Section 24 of Intergovernmental Relations Framework Act 2005, establishes the district intergovernmental forum to promote and facilitate sound relations between the District and Local municipalities and the forum is chaired by District Mayor. EMLM has a good relationship with Sekhukhune district municipality and all local municipalities within the district. There are different forums conducted by district where officials and politicians from local municipalities are invited to participate. The structures are as follows:

**Table 6: District intergovernmental structures**

Structures	Directores	establishment
EXCO Lekgotla	Mayor and Municipal Manager	Provincial
Municipal Manager's forums	Municipal Manager	Provincial and District
IDP forums	IDP Manager	Provincial and District
PMS forums	PMS Manager	Provincial and District
LED forums	LED Manager	Provincial and District
Communicators' forum	Communication Manager	Provincial and District
SDM Disaster advisory forum	Superintendent: Disaster	District
MPAC forums	Council Support Manager	Provincial and District
District Environmental Forum	Manager Environmenta	District
Provincial Waste and Environmental Forum	Manager Environmental	Provincial
Chiefwhip's Forum	Mnager Council support	District and Provincial
District Town Planners Forum	Town Planner	District and Province

The above forums meet quarterly to discuss progress made on service delivery. The forums are facilitated by CoGHSTA representatives and district officials. They are very fruitful forums, as members use this opportunity to share ideas and to learn from each other, in order to improve service delivery.

## **2.2.3 Provincial intergovernmental structures**

Section 16 of Intergovernmental Relations Framework Act 2005, establishes the premier's intergovernmental forum to promote and facilitate sound relations between the Province and municipalities. EMLM has a good relationship with provincial structures, namely CoGHSTA, Premier's Office and the Provincial Treasury. The province coordinated various forums where it met with members from all municipalities in the province, in order to discuss service delivery issues. Members from CoGHSTA, the Premier's Office and the provincial treasury also form part of those forums. The forums are:

- Provincial intergovernmental forum
- Premier/Mayor's forum
- Provincial monitoring and evaluation forum
- Provincial government communicators' forum
- Municipal Public Accounts Committee forum.
- Provincial Waste Management Forum
- Provincial Town Planners Forum
- Provincial EPWP Incentive Grant Sector Forum
- Provincial IDP Forum
- Provincial Speaker's Forum

➤ Provincial Chiefwhip's Forum

The forums are very fruitful as any kind of question is clarified, and municipalities that lack capacity are identified and provided with all necessary support.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **2.3 Introduction**

In terms of Municipal Systems Act section 51(b) requires a municipality to establish and organize its administration to facilitate a culture of accountability amongst its staff;

Section 6 (i) states that a municipality must develop a system of municipal governance that complements formal representative government with a system of participatory governance

Section 18 (i) (d) requires a municipality to supply its community with information concerning municipal governance, management and development.

#### **2.3.1 Overview of public accountability and participation**

Municipality uses different kinds of public participation, such as the Mayor's outreach, public meetings and IDP/Budget consultation, stakeholders' meetings in order to promote the culture of accountability.

Through this dictum, the people envisaged for a democracy whose attributes would be; people first in a government of the people by the people, a democracy wherein no decision would be taken without consultation of the people.

1. This was brought to life by the democratic breakthrough of 1994, the adoption of the Constitution in 1996, and the formation of local government in 2000 and the subsequent laws that governs it. Chapter 4 of the Municipal System Act states A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose-
  - a. **encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in-**
    - i. The preparation, implementation and review of its integrated development plan in terms of Chapter 5;
    - ii. the establishment, implementation and review of its performance management system in terms of Chapter 6;
    - iii. the monitoring and review of its performance, including the outcomes and impact of such performance;
    - iv. the preparation of its budget; and
    - v. strategic decisions relating to the provision of municipal services in terms of Chapter 8;
  - b. **contribute to building the capacity of-**
    - i. the local community to enable it to participate in the affairs of the municipality; and
    - ii. councillors and staff to foster community participation; and
  - c. use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing paragraphs (a) and (b)

In Elias Motsoaledi Local Municipality, Public Participation is not an abstraction and it is not done merely for compliance, it is a platform for self-determination of the people by the people. The people directs the type of service delivery and type of administration they want. During the year under review both the Mayor and Speaker had numerous outreach programs to engage with communities of Elias Motsoaledi Local Municipality.

During the year under review, the Mayor embarked on four outreach programs as per the SDBIP. amongst the numerous interactions she had with communities. The first Mayor's Outreach was held on the 13<sup>th</sup> September 2018 with Groblersdal Business Community to engage on economic dynamics of the town and the surrounding areas. This Outreach was held as a sectoral initiative to engage directly with the relevant stakeholders. The five Traditional leaders within EMLM also formed part of the gathering. Among issues raised was the revitalization of Groblersdal as most buildings in CBD were not occupied because of the new mall. Stakeholders also emphasised the promotion and support of the Agricultural sector which is the main contributor to economic development of EMLM.

As part of contribution from the local traditional leaders, the municipality was encouraged to develop a program fro refuse removal in villages to enhance revenue collection.

The second Mayoral Outreach was held on the 26 September 2018 as part of Heritage celebrations. The Hon Mayor hosted the EMLM Traditional Health Practitioners as key stakeholders. The Traditional Health Practitioners Act 22 of 2007 was established to ensure to establishment of the Interim Traditional Health Practitioners Council of South Africa.

The Traditional Health Practitioners Program falls with the office of the Deputy President of the Republic and works in collaboration with Health Minister. The Act identified the folloeing four categories of traditional health practice:

- Herbalism
- Divination
- Traditional birth attendant's practice
- Traditional surgeon

The event was convened to strengthen partnership with the local structure of traditional healers.

After violent service delivery protest in Masakaneng, ward 14, the Hon Mayor hosted an outreach with Masakaneng community to resolve service delivery challenges. The event was held on the 29<sup>th</sup> March 2019. This event was as well treated as an official handover of electrification project of Masakaneng informal settlement. The following are some of the service delivery issues raised.

- Electrification of the two portions of Masakaneng
- Weekly mobile clinic visit
- Construction of school in Masakaneng
- Mantainance of roads

The first and last outreach was held in a form of State of the Municipal Address in Monsterlus, Hlogotlou Stadium on the 28<sup>th</sup> May 2019. This event was informed by Chapter 4 of Municipal Systems Act No. 32 of 2000 which encourages municipalities to develop a culture of municipal governance that compliments formal representative government with a system of participatory governance and must for this purpose encourage and create conditions for local communities to participate in the affairs of the municipality.

The aim of the event was for the Mayor to present the status of service delivery commitments from the 2018/19 financial year and the future plans i.e. 2019/20 service delivery plans. The SOMA Outreach was coupled with Council meeting to approve budget and IDP.

### **2.3.2 Communication, participation and forums**

Communication and engagement approaches of the municipality plays an important role in contributing to the public's understanding of public service and their engagement with local issues.

Public participation in the municipality is coordinated through the ward committee, petitions committee, public hearings, and IDP and Budget public participation meetings and Mayoral Izimbizos. These forums are also utilized as report back platforms on service delivery matters. The Speaker of Council plays an important role in coordinating public participation. The municipality uses notice boards, website, newspapers, rates payers and Facebook page to spread information, new plans, budget priorities, etc. The work of the Unit is informed by the municipal communications policy and communication strategy, which centralises the communications function in the Communications Unit.

The ward committee structures are used to narrow the gap between the municipality and communities, since ward committees have the knowledge and understanding of the residents and communities they represent. Community Development Workers (CDWs) act as a link between accessing communities in relation to community development initiatives/ programmes.

The IDP forum is constituted by Councillors representatives from business organisations, Magoši, ward committee, CDW, NGOs/ CBOs, government departments, parastatal organizations, Communication forum, Budget steering committee and stakeholder representatives of unorganized groups. The representatives are given an opportunity to represent community interests and contribute knowledge and ideas, building consensus and support for the planning process itself, and ensuring a broader ownership of the outcomes.

Media briefings are held to update the media about the latest information of the municipality. Bulk sms system is used to disseminate prompt information to the community.

#### **2.3.2.1 MUNICIPAL COMMUNICATION PLATFORMS**

##### **Social Media**

The Municipality uses social media platforms, as part of its communication tool offering, to communicate with residents. Communications Unit is the custodian of Municipal social media account, it also maintains social media accounts by implementing daily posts, responding to service delivery queries and general information about municipal services. The municipal social media account is: <https://m.facebook.com/eliasmotsoaledi.localmunicipality>

##### **Radio Programme**

Radio is one of the Municipality's main communication tools to convey service delivery messages across municipal jurisdiction. Priority for radio interviews is mainly given to political principals, Municipal Manager and the spokesperson/Manager Public Relations to engage directly with residents on municipal plans and programmes and to listen and respond to community complaints.

### **Municipal Website**

The website is the main electronic communication platform for the Municipality to communicate with residents. The updated website continues to ensure that the public has access to the latest information and improvement in the usage of the website included adding some easy to access quick links on the homepage as and when major projects go live;

### **Newsletter**

The Newsletter is one of the Municipality's external communication tools to disseminate information to residents. Municipality utilises newsletters to inform public about municipal decisions and developments. The platform is part of municipal strategy to enhance external engagement to cultivate a culture of engagements.

#### **2.3.3 Ward Committees**

EMLM established ward committees in terms of Municipal Structures Act of 1998 and it has 310 ward committee members, which is 10 members per ward. All wards managed to elect ward committee members. Ward committees they report to Speakers office on a monthly basis. For the year under review, two ward committee conference were held. Ward Committees assist members of the community by advising, assisting in organising community meetings and enable them to participate in those public meetings and take decisions that will take service delivery

#### 2.3.4 Public meetings

The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget of the municipality. They are further utilized as a platform to agree on community needs. During the year under review public meetings were held in different wards. All public meetings held were beneficial.

PUBLIC MEETINGS								
Ward no	Nature and purpose of meeting	number of meetings	Number of Participatin g Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue address ed (Yes/No)	Dates and manner of feedback given to community
01	Community meeting	08/07/2018	01	00	059	<ul style="list-style-type: none"> <li>• Reservoir exposed without top cover</li> <li>• Regravelling of roads program is too short to cover a vast ward</li> <li>• 22 RDPs finished and handed over to beneficiaries</li> <li>• Local businesses not benefiting from government services done in the ward</li> <li>• Shortage of VIP toilets</li> </ul>	Yes	Community meeting
		07/10/2018	01	00	018		No	Community meeting
		11/01/2019	01	00	044		Yes	Community meeting
		22/02/2019	01	00	042		No	Community meeting
		01/05/2019	01	00	031		No	Community meeting
02	Community meeting	08/07/2018	01	00	085	<ul style="list-style-type: none"> <li>• EPWP Recruitment &amp; ward committee replacent</li> <li>• Report on RDP allocations, 22 allocated</li> <li>• Recruitment for EPWP program &amp; Allocation of VIP Toilets</li> <li>• Feedback application for community clinic</li> <li>• RDP applications that are not successful</li> <li>• Criminal activities is increasing in the ward</li> </ul>	Yes	Community meeting
		09/09/2018	01	00	056		No	Community meeting
		25/11/2018	01	00	041		Yes	Community meeting
		26/01/2019	01	00	036		No	Community meeting
		27/04/2019	01	00	046		No	Community meeting
		19/05/2019	01	00	057		No	Community meeting
03	Community meeting	08/07/2018	01	00	030	<ul style="list-style-type: none"> <li>• Replacing Asbestos roofs from old RDPs</li> <li>• Hiring of painter at clinic</li> <li>• Water shortage and fixing leaking pipes</li> </ul>	Yes	Community meeting
		16/08/2018	01	00	010		No	community meeting
		28/08/2018	01	00	097		Yes	Community meeting
		09/09/2018	01	00	036		No	Community meeting

		10/10/2018	01	00	018	<ul style="list-style-type: none"> <li>Enforcement of 30% local beneficiation on projects busy at the ward</li> <li>Unelectrified households at Naganeng.</li> <li>Construction of speed humps Naganeng.</li> <li>Leaking still tank</li> <li>Kgaphamadi boreholes construction</li> <li>Request to meet Mayor</li> </ul>	No Yes Yes Yes Yes Yes	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
04	Community meeting	08/07/2018	01	00	065	<ul style="list-style-type: none"> <li>Dirty streets &amp; Diapers through allover.</li> <li>Unplanned/ no survey in Allocation of sites</li> <li>Report to community Drilling new boreholes&amp;old maintained</li> <li>Regravelling program skipped ward 4 RDP houses shortage</li> <li>Motsie KFC Recruitment</li> <li>No intervention on the regravelling program, stil ward 4 skipped</li> <li>Allocation of VIP Toilets(100 allocated Persistantly reported on water challenges</li> <li>Freedom park electrification</li> <li>Boreholes drilled in September still not equipped</li> <li>Service delivery</li> <li>Recruitment for KFC Mitsie</li> </ul>	Yes No Yes  No Yes No Yes No No No No Yes	community meeting community meeting community meeting  community meeting community meeting community meeting community meeting community meeting community meeting stakeholders meetin stakeholders meetin
		16/09/2019	01	00	022			
		15/11/2018	01	00	102			
		17/01/2019	01	00	102			
		04/02/2019	01	00	105			
		22/03/2019	01	00	30			
		16/04/2019	01	00	015			
		07/05/2019	01	00	08			
05	Community meeting	08/07/2018	01	00	064	<ul style="list-style-type: none"> <li>Reports on Bus Road phase 4</li> <li>No report (rollcall only)</li> <li>No report ( rollcall only)</li> </ul>	Yes No No No No No No	community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
06	Community meeting	20/07/2018	01	00	150	<ul style="list-style-type: none"> <li>Launching of councillors cup.</li> <li>Women's Day celebrations.</li> </ul>	Yes Yes	community meeting community meeting
		10/08/2018	01	00	079			

		23/08/2018	01	00	109	<ul style="list-style-type: none"> <li>Youth Development meeting.</li> <li>Recruitment at Philadelphia.</li> <li>Launching of CPF.</li> <li>Report on D1948 progress report.</li> <li>Allocation of VIP Toilets (300)</li> <li>RDP houses allocations (29) &amp; hire CLO</li> <li>Progress report on D1948</li> <li>IEC presentation on voter registration.</li> <li>Disaster management workshop</li> </ul>	No Yes No Yes Yes	community meeting community meeting community meeting community meeting community meeting
		09/09/2018	01	00	032		Yes	
		07/10/2018	01	00	065		Yes	
		04/11/2018	01	00	040		Yes	
		21/11/2018	01	01	022		Yes	
07	Community meetings	20/10/2018	01	00	044	<ul style="list-style-type: none"> <li>Kolofane Water shortage</li> </ul>	No	Community meeting
08	Community meeting	08/07/2018	01	00	042	<ul style="list-style-type: none"> <li>Roads regravelling program</li> <li>RDP applications</li> <li>Icollege presentation</li> </ul>	Yes	community meeting
		25/07/2018	01	00	062		Yes	
		05/08/2018	01	00	053	<ul style="list-style-type: none"> <li>Process to repair RDPs with defects</li> <li>Water shortage in Taiwan</li> </ul>	Yes	community meeting
		26/09/2018	01	00	035	<ul style="list-style-type: none"> <li>Workshop consumer rights</li> </ul>	No	community meeting
		12/12/2018	01	01	034	<ul style="list-style-type: none"> <li>VIP Toilets allocations 22 for Malaeneng</li> </ul>	Yes	LEDET workshop
		22/02/2019	01	00	019	<ul style="list-style-type: none"> <li>Crime</li> </ul>	Yes	Community meeting
		14/03/2019	01	00	038	<ul style="list-style-type: none"> <li>Water shortage</li> </ul>	Yes	Community meeting
		21/04/2019	01	00	034	<ul style="list-style-type: none"> <li>VIP Toilets allocation for Taiwan 14 units</li> </ul>	Yes	Community meeting
		08/05/2019	01	00	061	<ul style="list-style-type: none"> <li>Electricity in Taiwan</li> </ul>	Yes	Community meeting

09	Community meetings	13/07/2018	01	00	075	<ul style="list-style-type: none"> <li>No Report (rollcalls only)</li> <li>Introduction of Tambo/Walter Sisulu Road</li> <li>No report (rollcalls only)</li> <li>No Report (Rollcalls only)</li> <li>No Report (Rollcalls only)</li> <li>Meeting with Eskom (Electricity)</li> <li>Revenue Enhancement Campaign</li> <li>No reports (roll calls only)</li> <li>No reports</li> <li>VIP Toilets project update</li> <li>No report ( rollcall only )</li> </ul>	No Yes No No No Yes No No No Yes No	Community meeting Community meeting Community meeting Community meeting Community meeting Stakeholders meet Community meeting Stakeholders meeti Community meeting Community meeting Community meeting Community meeting
10	Community meeting	12/07/2018	01	00	080	<ul style="list-style-type: none"> <li>Meeting with Livestock Farmers&amp;Moshathe</li> <li>Electrification of 68 houses as allocated</li> <li>Feedback on Electrification project</li> <li>Hiring of project CLO</li> <li>No report (rollcalls only)</li> <li>No report (rollcall only)</li> <li>No report (Roll Calls only)</li> <li>Report that electrification project is concluded, however workers are not paid 01 Desaster RDP allocated to the Ward</li> <li>Moshathe Road Project is complete 76 units allocated for electrification</li> <li>Follow up on Employees not paid from electrification program Launching of Youth Forum</li> </ul>	Yes Yes Yes Yes Yes Yes No No No Yes No No	Stakeholders Meeti Community meeting Community Meeting Community Meeting Community Meeting Community Meeting Community Meeting Community meeting Community meeting
11	Community meeting	17/07/2018	01	00	075	<ul style="list-style-type: none"> <li>Sewage overflow at 5 Morgan&amp; Elandsdrn</li> <li>Good progress reported on VIP toilets prj</li> <li>Bad state of R25</li> <li>Bloempoort extension needs electricity</li> <li>How to curb Iligal dumpings</li> </ul>	Yes Yes No Yes	Community meeting Community meeting Community meeting Community meeting

12	Community meeting	26/07/2018 22/08/2018 26/08/2018  17/09/2019  08/10/2018  09/12/2018 07/01/2019 07/02/2019 19/03/2019 09/04/2019  06/05/2019	01 01 01  01  01  01 01 01 01  01	00 00 00  00  00  00 00 00 00  00	040 066 018  078  023  064 080 058 035 020	<ul style="list-style-type: none"> <li>Eskom turnaround time for faults reported</li> <li>No report (rollcall only)</li> <li>Service delivery challenges at Makuwa which is a farm (no water, no RDPs)</li> <li>Water shortage (SDM has now provided a Tank and regularly filled)</li> <li>Bad road (to be covered in regravelling program)</li> <li>Introduction &amp; side allocation for RDP building project 74 units.</li> <li>Progress on fixing 5 boreholes in the ward</li> <li>Crime prevention</li> <li>No report (roll call only)</li> <li>No report (rollcall only)</li> <li>No report (rollcall only)</li> <li>No report (rollcall only)</li> <li>State of service delivery at Mvujini poor, lack water, VIP toilets, roads are bad</li> </ul>	Yes Yes No Yes Yes No Yes Yes No No No	Community meeting Community meeting
13	No community meetings	No community meetings	No community meetings	No community meetings	No community meetings	No community meetings		No community meetings
14	No Community meetings	No community meetings	No community meetings	No community meetings	No community meetings	No community meetings	No	No meetings
15	Community Meetings	15/08/2018 08/10/2018 13/10/2018 17/11/2018 02/12/2018 02/02/2019 05/05/2019 10/06/2019	01 01 01 01 01 01 06 01	00 00 00 00 00 00 04 00	36 57 73 35 39 37 170 148	<ul style="list-style-type: none"> <li>Jojo tanks</li> <li>Renovation of police station</li> <li>Rdp houses</li> <li>Water shortage</li> <li>Donation from a church to drill water</li> <li>Extension of pipes from steel tank</li> <li>Main road to Masoing</li> </ul>	Yes Yes Yes No Yes No No No	Community meeting

16	Community Meeting	10/07/2018	01	00	34	• Vip toilets 400 promised	No	Community meeting
		16/08/2018	01	00	24	Bulk pipe line	Yes	Community meeting
		30/04/2019	01	00	18	Rdp houses	Yes	
		19/05/2019	01	00	107	Communial taps stolen	No	
						Attendance register only		
17	Community meeting	18/09/2018	01	00	No rollcall	• Briefing on the RDP project	Yes	Community meeting
		06/10/2018	01	00	69	Potholes reasilling project	Yes	
						Need for highmast light at Matshelapata	No	
18	Community meeting	06/07/2018	01	00	101	• Request for regravelling of internal roads	Yes	Community meeting
		13/08/2018	01	00	058	• Establishment of ward business forum	Yes	Community meeting
		16/08/2018	01	00	063	• Eskom PSC	Yes	Community meeting
		11/09/2018	01	00	094			
		27/10/2018	01	00	048	• Electrification of Masodi Villagw	Yes	Community meeting
		10/11/2018	01	00	053	• No report (roll call only)	Yes	Community meeting
		16/12/2018	01	00	059	• Water problems at Talane and Sywerfont	No	Community meeting
		07/01/2019	01	00	074	• No report (roll call only)	No	Community meeting
		15/02/2019	01	00	045	• No Water at Mphephisang	No	Community meeting
		17/02/2019	01	00	170	• Water problems across the Ward	No	Community meeting
		/03/2019	01	00	024	• No report (roll call only)	No	Community meeting
		04/04/2019	01	00	161	• No report (rollcall only)	No	Community meeting
		03/05/2019	01	00	065	• No Water at Mphepixeng section	Yes	Community meeting
		02/06/2019	01	00	034	• No report (register only)	No	Community meeting
19	Community meeting	13/08/2018	01	00	062	• Electrification of Thabaleboto Extension	Yes	Community meeting
		11/09/2018	01	00	033	• No report (rollcall only)	No	Community meeting
		31/01/2019	01	00	044	• No report (roll call only)	No	Community meeting
		07/02/2019	01	00	042	• No report (roll call only)	No	Community meeting
		28/02/2019	01	00	040	• No report (rollcall only)	No	Community meeting
		25/02/2019	01	00	026	• No report (rollcall only)	No	Community meeting
		28/03/2019	01	00	014	• No report ( rollcalls only)	No	Community meeting

20	Community meeting	No meetings	No meetings	No meetings	No meetings	No meetings	No meetings	No meetings
21	Community meeting	30/07/2018 07/08/2018 05/09/2018 08/10/2019 13/01/2019 11/03/2019 09/04/2019 27/05/2019 05/05/2019	01 01 01 01 01 01 01 01 01	00 00 00 00 00 00 00 00 00	23 36 72 66 39 56 54 78	<ul style="list-style-type: none"> <li>• Handing over of a contractor</li> <li>• Tarring Access Road</li> <li>• Water report</li> <li>• Alien plant recruitment</li> <li>• No report</li> <li>• No report</li> <li>• Water report</li> <li>• Kgaphamadi bus road project</li> </ul>	Yes Yes	Community meeting and Speakers outreach Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
22	Community meeting	08/07/2018 05/08/2018 16/09/2018 07/10/2018 16/02/2019 03/03/2019 24/04/2019	01 01 01 01 10 01 01	00 00 00 00 07 00 00	52 49 59 71 398 72 16	<ul style="list-style-type: none"> <li>• Attended register only</li> <li>• Attended register only</li> <li>• Handing over of rdp contractor</li> <li>• Attended register only</li> <li>• Joint program of budget consultation</li> <li>• Attended register only</li> <li>• Attended register only</li> </ul>	Yes	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
23	Community meeting	31/07/2019 07/08/2019 06/10/2019 06/11/2019 09/01/2019 01/02/2019	01 01 01 01 01 01	00 00 00 00 00 00	95 68 32 36 68 28	PRET database registration Water and sanitation Water tanks shortage Attended register only Pit hole requested for Ngulu school VIP Toilets	No No yes	Community meeting
24	Community meeting	02/08/2018 09/09/2018 07/10/2018 04/11/2018 02/12/2018 28/02/2019 27/03/2019 24/04/2019	01 01 01 01 01 01 01 01	00 00 00 00 00 00 00 00	83 25 70 75 17 25 32 49	<ul style="list-style-type: none"> <li>• Legolaneng road/ 35 houses completed</li> <li>• Electrification Phomola</li> <li>• Water shortage</li> <li>• Low level bridge</li> <li>• Water tankers</li> <li>• VIP Toilets, Rdp units</li> <li>• Regravelling at new stands</li> </ul>	Yes Yes No Yes No yes yes no	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting

		12/05/2019 09/06/2019	01 01	00 00	22 62	<ul style="list-style-type: none"> <li>• Water shortage</li> <li>• Vip toilets , water</li> </ul>	No No	Community meeting Community meeting
25	Community meeting	01/07/2019 08/07/2019 01/09/2019 11/10/2019 03/05/2019	01 02 01 01 01	02 00 00 00 00	64 30 52 36 45	<ul style="list-style-type: none"> <li>• Need for borehole</li> <li>• Electrification Makaepa</li> <li>• Patching of poholes/Roads</li> <li>• Water</li> <li>• Renovate Dikgalaopeng primary</li> </ul>	No Yes Yes No No	Community meeting Community meeting Community meeting Community meeting Community meeting
26	Community meeting	05/08/2019 10/09/2019 29/10/2019 10/12/2019 03/03/2019 01/05/2019 10/06/2019	01 01 01	00 00 01	64 30 65	<ul style="list-style-type: none"> <li>• Leakage of bulk water pipes</li> <li>• Illegal connection of water</li> <li>• Vip toilets</li> <li>• Construction – road paving</li> <li>• Water shortage</li> <li>• Regravelling of streets</li> <li>• Sassa</li> </ul>	No No Yes Yes No Yes yes	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
27	Community meetin	30/06/2019 01/05/2019 10/03/2019 31/03/2019 04/02/2019 10/01/2019 07/10/2018 19/08/2018 31/07/2018 10/06/2018	01 01 01 01 01 01 01 01 01 01	00 00 00 00 00 00 00 00 00 00	38 60 64 34 54 45 41 36 69 84	<ul style="list-style-type: none"> <li>• Road mainly the one to Stadium</li> <li>• Increase number of High mast lights</li> <li>• Water</li> <li>• Regravelling</li> <li>• Vip units</li> <li>• Tar road stadium road</li> <li>• Waste collection</li> <li>• Jojo tanks</li> <li>• Highmass lights</li> <li>• Water shortage</li> </ul>	No No No Yes Yes No No Yes No No	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
28	Community meeting	08/17/2018 24/08/2018 24/11/2018 5/12/2018 03/02/2019 20/03/2019	01 01 01 01 01 01	00 00 00 00 00 00	42 25 74 104 34 69	<ul style="list-style-type: none"> <li>• Electrification</li> <li>• Gravelling of Roads</li> <li>• Water</li> <li>• Mobile clinic</li> <li>• Vip toilets</li> <li>• Sassa</li> </ul>	Yes Yes No No No No	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting

		14/04/2019 05/05/2019 22/06/2019	01 09 01	00	115 369 29	<ul style="list-style-type: none"> <li>• Tar road at dipakapakeng</li> <li>• Services to all wards</li> <li>• Water</li> </ul>	Yes Yes No	Community meeting Community meeting Speakers outreach
29	Community meeting	05/07/2018 16/08/2018 05/09/2018 23/01/2019 04/02/2019 23/05/2019 03/06/2019	01 01 01 01 01 01 01	01 00 00 00 00 00 00	57 108 37 15 39 74 41	<ul style="list-style-type: none"> <li>• Repairs of boreholes</li> <li>• RDP &amp; dumping site needed</li> <li>• Patching of boreholes</li> <li>• Vip units</li> <li>• Regravelling</li> <li>• Clinic</li> <li>• Water shortage at maratheng</li> </ul>	Yes No Yes Yes Yes No No	Community m Community meeting Community meeting Community meetin Community meeting Community meeting Community meeting
30	Community meeting	08/06/2019 15/11/2018 05/01/2019 06/12/2018 17/09/2018 14/01/2018 19/11/2018	01 01 01 01 01 01 01	00 00 00 00 00 00 00	55 219 49 42 55 30 68	<ul style="list-style-type: none"> <li>• RDP houses for people residing in farms</li> <li>• Disconnection of electricity (electricity to be sod straight from Eskom)</li> <li>• Land for housing</li> <li>• Vip toilets</li> <li>• Mining issues</li> <li>• Water shortage</li> </ul>	No No No Yes Yes No	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting
31	Community meeting	08/07/2018 07/10/2018 08/11/2018 18/01/2019 13/06/2019	01 01 04 01 01	00 00 05 00 07	57 38 208 56 26	<ul style="list-style-type: none"> <li>• Sewer leakage takes long to be fixed.</li> <li>• Need for land.</li> <li>• Collection of revenue</li> <li>• Illegal speed humps&amp;potholes</li> <li>• High bill of water</li> <li>• Illegal invation of land</li> </ul>	Yes No Yes No No No	Community meeting Community meeting Community meeting Community meeting Community meeting Community meeting

### 2.3.5 WARD BASED MEETINGS

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
Ward No 01	Cllr Mphela M.A <b>Ward Committee</b> Julia Maredi Simphiwe Mahlangu Jane Sibiloane Martha Nxumalo junior Thethé Anges Mmotong Simphiwe Mthombeni Samual Phasha Christa kotelo Mabodika Kgati Maepa	Yes	10	10	4
Ward No 02	Cllr Phatlane A <b>Ward Committee</b> Mathabathe Mpho Monage Tshepo Khama Mahlangu Geeilbooi Makua Samuel Dunge Olgar Bafedi Aibiot (Deceased) Mankge Hermans Moloi Abednigo Phatlane Lucy Boroko Kodisang Mathews	Yes	9	9	4
Ward No 03	Cllr Mamakoko M.L <b>Ward Committee</b> Mputsu David Mahlangu Sonia Magashule Marie Mokwala Matron Mokwana Stephina Modiba Mary Tshego Mmapula Kgaphola Delige Mothibi Lucy Kgaphola Frans Makua	Yes	08	08	4
Ward No 04	Cllr Moima L.M <b>Ward Committee</b> Dipuo Mashabela Lebogang Dinba Kanyane Mphahlele Makitla Sello	Yes	09	09	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Fatima Thabethe Selina Matlou Lucas Mathimunyane Kenneth Malapele Anges Ramphisa Israel Malapela				
Ward No 05	Cllr Makweoane <b>Ward Committee</b> Violet Mashigo Fannie Nkambule Monica Makgatsela Sharleen Mphake Mankwe Mokgabudi Petrus Matentshi Mapaseka Mokgabudi Leshate Mashabela Nelson Mogano Thili Lepota	Yes	8	8	4
Ward No 06	Cllr Ndlovu R.N <b>Ward Committee</b> Thethan Mahlangu Ntombi Mahlaba Nokuthula Reginah Winile Ndlangamandla Zakhele Hlathi Sipho Mandazi Adelaide Limakwe Zanele Magubane Delisa Joseph Popi Mashego	Yes	10	10	4
Ward No 07	Cllr:Phala Lucas <b>Ward Committees:</b> Philimon Moshiga Brenda Phasha Nomsa Sibeko Glass Makatelele Jan Mtshweni Busisive Magolego Tebogo Mokoadi Ericca Makuwa Benjamane masweu Simon Thipe	Yes	4	4	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
Ward No 08	Cllr Ratlou S.W <b>Ward committees:</b> Charlotte Mogudi Moshingwaneng Ditshego Isaiah Mahlangu Annah Wessels Friedah Phetla Bangiswane Mthombeni Resigned Albert Mafa Resigned Gloria Rahlogo	Yes	11	11	4
Ward No 09	Cllr Ratau R.M <b>Ward Committees:</b> Elijah Ntombela Isaac Makofane Mafa Mashinini Sebongile Mohlape Coshiwe Nkambule Eric Nkosi Louisa Masilela Fortune Tsholofelo Aaron Mtshweni Joseph Manzini	Yes	08	08	4
Ward No 10	Cllr Madisa K.F <b>Ward Committees:</b> Zandra Makitla Mathebe Rebbecca Katlego Sifoleshe Madire Modupi Mohlamanyane Ivy Madisa Zodwa Ngele Sandra Ramphisa Mathebe Buti .Malefahlo Mokgase mohlamonyane Motsumi	Yes	09	09	4
Ward No 11	Cllr Namane G.R <b>Ward Committees:</b> 1 Wonderboy Cekhu 2 Delane Mugeri 3 Eleoner Matlou 4 Sepadi Mampuru 5 Malelula leopo	Yes	02	02	1

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	6 Samora Madisa 7 Rina Mutha 8 Moses Mafiri 9 Thobile Mathibedi 10 Anges setoto Magopa				
Ward No 12	Cllr Phorothhoe <b>Ward Committees:</b> Mmadisele Mathebe Moleme Podile Mmalehu Mohlala Mothaku Namane Calvin Mathunyane Elizabeth Monageng Doctor Nakedi Alfred Makitla Betty Mathebe Klass Mathebe	Yes	10	10	4
Ward No 13	Cllr Oosthuizen W.N.S <b>Ward Committees:</b> Martin Coetsee Dirk Hessels phochanaD.M Maria D.Fourie J.H Mmakole Dirk Walker T.S Matsomane A.J Schombee Franska Kleinhans Shaun A.Mellors	Yes	09	09	1
Ward No 14	Cllr: Bogopa B <b>Ward Committees:</b> Bareng Mphahlele(Resigned Phakwane Mareng Moses Boshielo Chikane Kgorutle Makeke Mantwa Dipou Matlala Stepen Maleka Jaremia Phetla Enock Ramoispa Maggie Isa	Yes	04	04	4
Ward No 15	Cllr: Mahlangu J <b>Ward Committees:</b> Lucas Zwane	Yes	07	07	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Rinah Mahlangu Job Tshepo Mokwena Sbongile Nkosi Sibongile Masilela Thomas Mthombeni Johannah Mashiya Malehu Mokoana Jan Masimula Msanomnlane Mahlangu				
Ward No 16	Clir: Zulu B.M <b>Ward Committees:</b> Mapule Mokgolokgotho(removed) Jabulane Mahlangu Sarah Skosana Fanie Makua December Msitsa Sinah Mahlangu Maria Mthimunyane Nick Mgidi Khomotsso Maphosa(not on IEC roll) Kodin Skhosana	Yes	4	4	3
Ward No 17	Clir: Ratau T.T <b>Ward Committees:</b> Irene Mokwana Moetana Mohlala Rankepile Mabelane Kagiso Mabelane Gabriel Magashula Jeaneth Motshana Motlalepule Madihlabo Freddy Nkadimeng(decease Andries Hlabishe Annah Masemola	Yes	5	5	2
Ward No 18	Clir: Machipa T.A <b>Ward Committees:</b> Martha Mohlahlo Jamis Chego Maria Tshehla Mojalefa Rankwe Tumishi Mohlahlo Annah Mnguni Elsa Fenyane(resigned) Sydney Phetla	Yes	12	12	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Shemeng Mtshweni Maria Makuwa				
Ward No 19	Cllr: Masimula P <b>Ward Committees:</b> Sophi Masemola Amos Gabril Sinkie Skosana Ranapo Chigo Rose Mtshweni Keneth Mahlangu Shabangu Dlalabaphi Getrude Mashiane Mahlangu Khonzeph Nkosinathi Machuka	Yes	5	5	4
Ward No 20	Cllr Skhosana W.J <b>Ward Committees:</b> monica Madihlabo Lina Makaleng Felicia Mokoana Zodwa Mokwena Nteseng Madihlabo Patricia Sekgala Shima Monaledi thabo Skosana Debora Maredi Thapedi Ietageng	Yes	8	8	4
Ward No 21	Cllr: Makeke G.M <b>Ward Committees:</b> 1 Mavis Theresia Mthimunye 2 David Skhosana 3 Joel Mohlahlo 4 Khoza Dipuo 5 Kate Matenchi 6 Lejatau Seroka 7 Elsie Mamonyane 8 Sonnyboy Sekele 9 Dorcas Makeke 10 Motlapele Nkgudi	Yes	9	9	4
Ward No 22	Cllr Matsepe M.M <b>Ward Committees:</b> Mathibela Mashego Annah Radingwana Frans Mdebele Tebogo Tau	Yes	07	07	3

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Stephina Mokwai Thabo Radingwana Leah Tshoma Jan Mashilanwako Patrick Moramaga lindiwe Maleka				
<hr/>					
Ward No 23	Cllr:Mahlangu Nomsa	No	04	04	4
	<b>Ward Committees:</b> Regina Ntuli Lydia Lerobane Jimmy Masemola Thokozile Ntuli Milzon Madihlaba Busisiwe Motha Simon Sithole Rose Mokoana Sipho Mahlangu Sylvia Chego				
<hr/>					
Ward No 24	Cllr: M.M	Yes	10	10	4
	<b>Ward Committees:</b> Isaac Maladi Mpotsing Mtshweni Prince Maloma Meshack Thobejane Dorothy Makeke Maputana Moloko Martha Monareng Thabeng Nyalungu Elizabeth Mathunyane Amos Tshoma				
<hr/>					
Ward No 25	Cllr: Mapophoa E.M	Yes	9	9	4
	<b>Ward Committees:</b> Jane Lekala Makgadi Malatji Joseph Tsima Julia Mohlala Lerato Skosane Jack Motsana Reneilwe Rampedi khomotsso Ramphisa Francinah Mampuru Thobole Matsepe				
<hr/>					

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Cllr:Motlape M. G <b>Ward Committees:</b> Sepedi Mohlala Mmantwe Tagane Matlakala Knowledge Ditau Magampa( removed) Deborah Mashabela Dazie Msiza Amos Chabedi Mapule Mmuledi Karabo Matshingwane	Yes	8	8	4
	Mmabatsheleng Matspepe				
	Matladi Tshepho				
Ward No 27	Cllr: Mokwane M.K <b>Ward Committees:</b> Job Matladi Lebogang Choma Tebatso Sihlangu Mogudi Meba Dudu Mokadi Frans Tlaka Motebu Arimbi Thabo Makua Caroline Mantsolo Thandi makuwa	Yes	07	07	3
Ward No 28	Cllr:Maipushe S.M <b>Ward Committees:</b> Klass Maredi Modupi Fenyane Evah Matluludi Prudence Skosana Pratick Tladi Rachel Mohlala Amos Ntobeng Sarah Pheladi Lucas Aphane Victor Seopela	Yes	10	10	4
Ward No 29	Cllr: Malatji M.N <b>Ward Committees:</b> Thuso Makuwa Reginah Makuwa Lindiwe Mahlangu Grace Malatji Diale Motla Caroline Matjomane Victor Diago	Yes	11	11	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Thabang Fenyane Gautana Matsumane Lazarus Rakgalakane				
Ward No 30	Cllr: Kgopa K.S <b>Ward Committees:</b> Ammina Magakwe Sebutjwane Maduna Seraki Motstsia Jim Molapo Bongi Maabane Thabiso Matenji Mahlonoko Riba Patricia Mokwena Sinky Kodi Lina Masango	Yes	5	5	4
Ward 31	Cllr : Msiza M.R <b>Ward Committee</b> Gladys Maake Kgaogelo Dikotope (deceased) Alfred Manasoe Moses simpho Peter Tsokela Lombard Mamogobo Lebogang Mpunga(Resigned) Ramosohlo Kgongane Enny Matsepe Prince Thobejane	Yes	8	8	4

#### 2.4 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, KPIs, development strategies?	yes
Does the IDP have multi-year targets?	yes
Are the above aligned and can they calculate into a score?	yes
Does the budget align directly to the KPIs in the strategic plan?	yes
Do the IDP KPIs align to the Section 57 Managers	yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	yes
Were the indicators communicated to the public?	yes
Were the four quarter aligned reports submitted within stipulated time frames?	yes

## **COMPONENT D: CORPORATE GOVERNANCE**

### **Overview of corporate governance**

EMLM has a code of conduct and policies in place that served as guidance on how to execute our functions in a responsive manner. These documents are applicable to everyone in the municipality, as they set out rules, laws, customs and culture of the municipality. All officials, together with political heads, work collectively, guided by policies to deliver efficient service delivery to communities in order to achieve the vision and goals of the municipality

### **2.5 RISK MANAGEMENT**

Elias Motsoaledi Local municipality is critically aware of the impact of risks on service delivery. As Such, it has developed extensive risk-mitigation measures for both strategic and operational risks that have been identified. This chapter provides a high-level overview of these proactive and reactive plans.

MFMA section 62 (i) (c) requires the municipality to have and maintain an effective, efficient and transparent system of risk management. For the year under review 100% of identified risks were addressed. Both risk management strategy and implementation plan were reviewed. For the year under review no cases of fraud and corruption was received that warranted internal/external investigations. There is effective risk management committee in place which meets once in a quarter and the meeting is chaired by member of audit committee.

Top ten risks identified:

Top risk identified	
Risk	Progress to date
Insufficient capacity of emerging local enterprises	Currently conducting monthly training capacitate local SMMEs
Market Risk	Applying Section 32 of MFMA 56 of 2003 to source service provider
Environmental Pollution	Environmental Awareness conducted  Waste Management Schedule and plans is adhered to  Public Consultation is done on the Waste management By-Law.
Failure to Recover Data and Systems efficiently and effectively in the event of disruption	Review of the BCP in progress.
Ineffective communication (Internal and External)	Report submitted to Council on monthly basis Suggestion boxes available in municipal buildings but not utilized efficiently Turnaround time of 25 working days not adhered to due to the nature of cases

Top risk identified	
Risk	Progress to date
Inappropriate land use practice & Hazardous Buildings	The SPLUMA By-Law implemented. Land Use Audit conducted in Groblersdal
Failure to recover Data and Systems efficiently and effectively in the event of disruption	Benchmarking in progress
Ineffective Ward Committees	The ward committee policy is in place and is currently implemented as well as the Ward Operational and reporting templates
Insufficient Electricity Supply (20 MVA)	Still waiting for Eskom to provide feasibility Quotation
Roll over of Projects	Project managers allocated to the project to ensure continues monitoring

### 2.5.1 RISK FINANCE

Our insurance programs cover property damage, business interruption, public, product and professional liability, and Directors' and Officers' exposures. They aim to protect the Municipality against exceptionally large or numerous claims.

We neither own nor operate any captive insurance: we use only high-quality and financially sound insurers, combining master policies with local insurance policies. Negotiation and coordination of these programs are carried out in the Risk department unit with the help of leading insurance brokers with integrated international networks.

In this way we secure broad and consistent cover for all Municipalities activities and locations, cost optimization, and reporting and control, while ensuring compliance with local regulatory requirements. We review our insurance strategies periodically, taking into account changes in our risk profile (such as acquisitions, claims, loss events and other activities) and insurance market trends.

### 2.5.2 FRAUD AND ANTI-CORRUPTION STRATEGY

*Note: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T 4.3.6). MSA 2000 s 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.*

During the year under review, we have built an anti-fraud Strategy to prevent, detect, deter, report and respond to fraudulent activities. This is overseen by the Municipal mangers office, Anti-Fraud Committee comprising the senior management Group General and Compliance Officer. All managers must report any suspicion of fraud, and our whistle-blowing policy enables employees to raise suspected irregularities. In the event of fraud, managers must make appropriate changes to systems, Controls, education and procedures to prevent recurrence, and the Risk and anti- fraud committee monitors the effectiveness of such actions.

Municipality conducted a fraud risk assessment and trained some key people in anti-fraud, anti-bribery, anti-trust and ethics. In addition trained by Cogta or fraud and corruption, we also sent out awareness poster to all municipal departments.

## BUSINESS CONTINUITY MANAGEMENT

Municipality cannot identify all risk that faces the institution. Therefore we have business continuity responses designed to improve resilience to unforeseen events – such as a supply chain disruption, employee repatriation, or network intrusion attempts – and minimize their impact on stakeholders and reputation. The business continuity policy and strategy was approved and rolled out to departments for awareness. It encompasses basic escalation and communication rules, guidelines for anticipation and action, and clear roles and responsibilities. Training was limited due financial constrains

## 2.6 PUBLIC SATISFACTION SURVEY

No public satisfaction survey was conducted during the year under review.

## 2.7 SUPPLY CHAIN MANAGEMENT

Municipality has SCM policy in place to minimize fraud and corruption. There are SCM committees in place that are reviewable as and when required to ensure value for money in awarding of tenders. For the year under review thirteen (13) tenders were awarded.

**Table 7: Information of SCM committees**

Description	Number of meetings	members of the committee	functions
Bid specification committee	5	Manager: Assets Manager Property Management Electrical Engineer Superintended: Roads SCM Practitioner(Secretariat) Manager: Fleet Management	<ul style="list-style-type: none"> <li>• Compile a proper and unbiased specification for a specific requirement</li> <li>• Ensure proper Terms of Reference are drawn up for the service required clearly indicating the scope of the requirements, the ratio between price and functionality, evaluation criteria as well as their weights and values</li> <li>• Ensuring availability of funds</li> <li>• Set ranges indicating breakdown of points, percentages as provided in the relevant sliding scales for the selected specified goals</li> </ul>
Bid Evaluation committee	10	Senior Manager: Infrastructure	<ul style="list-style-type: none"> <li>• Evaluate the bids in accordance with the specifications for a specific procurement</li> <li>• Evaluate as per the set out point system and PPPFA</li> </ul>

Description	Number of meetings	members of the committee	functions
		Deputy CFO Manager waste and environmental services Manager Legal Services SCM Practitioner  SCM Practitioner(Secretariat)	<ul style="list-style-type: none"> <li>• Evaluate each bidders' ability to execute the contract</li> <li>• Check in respect of the recommended bidder whether municipal rates and taxes and municipal services are not in arrears</li> <li>• Submit to the adjudication committee a report and recommendations regarding the award of the bid or other related matter.</li> </ul>
Bid Adjudication committee	9	Senior Manager: Community Services Senior Manager: Executive Support Senior Manager: Corporate Services Senior Manager development planning Chief Financial Officer Manager SCM Accountant Demand and Acquisition (Secretariat)	<ul style="list-style-type: none"> <li>• Ensure that all necessary bid documents have been submitted</li> <li>• Ensure that disqualifications are justified and valid and accountable reasons / motivations were furnished for passing over bids.</li> <li>• Ensure that scoring has been fair, consistent and correctly calculated and applied; and bidder's declarations of interests have been taken cognizance of.</li> <li>• Make final awards or a recommendation to the Accounting Officer to make final award; or make another recommendation to the Accounting officer on how to proceed with the relevant procurement</li> <li>• Consider and rule on all recommendations /reports regarding the amendments ,variations, extension, cancellations or transfer of contracts awarded</li> </ul>

## 2.8 BY-LAWS

For the year under review, the municipality has developed 03 by-laws which were approved by council for public participation. No by-law gazetted during the year under review.

**Table 8: Information of by-laws**

By-laws introduced during year 2018/2019					
Newly developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
By-law regulating dogs and cats	Yes	No	-	No	-
Tariff by-law	Yes	No	-	No	-
Properties rates by-law	Yes	No	-	No	-

## 2.9 WEBSITE

A municipal website is an integral part of a municipality's communication infrastructure and strategy. If managed effectively, it allows easy access to relevant municipal information, it serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. The municipal website is [www.eliasmotsoaledi.gov.za](http://www.eliasmotsoaledi.gov.za). Municipality's website is available and functional to assist members of the community and fellow South Africans to easily access municipal information.

**Table 9: Municipal website information**

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	-
All current budget-related policies	Yes	-
The annual report 2017/2018 published	Yes	-
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes	-
All service delivery agreements 2017/2018	no	n/a
All long-term borrowing contracts 2017/2018	n/a	n/a
All supply chain management contracts above a prescribed value	no	n/a
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2018/2019	n/a	n/a
Contracts agreed in 2017/2018 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	n/a	n/a

Public-private partnership agreements referred to in section 120 made in 2017/2018	n/a	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/2018	Yes	-

## 2.10. AUDIT COMMITTEE

The Audit Committee of the Municipality was established in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003. The Audit Committee comprised of Five (05) members appointed for the period of three (03) years with effect from January 2016 to December 2018. The term for audit committee members ended in December 2018 and was extended by two years from January 2019 to January 2021. The extension was for only four members as one member (Mr M.G Mathabathe) has already served in audit committee for 06 years therefore it could not be extended further. The vacant post was therefore advertised and suitable candidate was appointed during June month and will resume duty in the next financial year. Audit Committee reported to council on their activities and recommendations as required by the Audit Committee Charter and section 166 of the MFMA. For the year under review, Four (4) ordinary and Six (06) special audit committee meetings were held.

**Table 10: Audit Committee members**

Surname and initials	Gender
Ramutsheli M.P (Chairperson)	Female
Mathabathe M.G	Male
Thipe M.M	Male
Chuene V.K	Male
Mojapelo M.O	Male

**Table 11: Attendance of meetings**

N O	AUDIT COMMITTEE	ORDINARY MEETINGS					SPECIAL MEETINGS						Total
		1	2	3	4	Total	1	2	3	4	5	6	
1	Mrs Ramutsheli M.P (Chairperson)	✓	✓	✓	✓	4	✓	✓	✓	✓	✓	✓	6
2	Mr Mathabathe M.G	✓	✓	✗	✗	2	✓	✓	✓	✓	✗	✗	4
3	Adv. Thipe M.M	✓	✓	✓	✓	4	✗	✗	✗	✗	✓	✓	2
4	Mr. Chuene V.K	✓	✓	✓	✓	4	✓	✓	✓	✗	✓	✓	5
5	Mr. Mojapelo M.O	✓	✓	✓	✗	3	✓	✓	✓	✓	✓	✓	6

**Legend:**

✓ Attended

✗ Not attended

# **CHAPTER 3**

## **SERVICE DELIVERY PERFORMANCE**

## COMPONENT A: BASIC SERVICES

### 2.11 ELECTRICITY

Municipality is licensed to provide electricity in 2 wards, which are ward 13 and ward 30 (Groblersdal and Roossenekal areas), and the other 29 wards are Eskom licensed areas. We have managed to increase our revenue base by acquiring the Electricity distribution license of the following areas: Game Farm, Twin City Mall, Masakaneng and Mapoch Grond. The municipality is planning to upgrade the current Groblersdal substation from 20MVA to 40MVA as it will reach its full capacity and will have a negative economic growth of the municipality.

Municipality has a backlog of 4% (3099) households without electricity. A total number of 55698 Households (96%) has access to Electricity (serviced both Eskom and EMLM). The municipality received an allocation of R9 988 000 for INEP in 2018/2019 financial year. Makaepa, Tambo and Masakaneng villages were electrified using the allocated funds from INEP. The progress for electrification projects was at 98% at the end of the financial year; all villages are energised except for Tambo. Municipality rely on Eskom to supply all other areas within EMLM whereby mostly the challenge is capacity on the network as certain areas could not be electrified until Eskom upgrade the networks.

The municipality has appointed a service provider for the Development development of Public lighting master plan. The master plan has been developed and approved by Council.

The status of the two licensed areas can be summarized by the following analysis

Strengths	Weakness
<ul style="list-style-type: none"><li>We have 11Kv 1 x 20MVA ring feed for Groblersdal and 11Kv 5MVA overhead for Roossenekal</li><li>Stable underground cable network</li><li>Qualified human resource</li><li>Up to date Eskom Account for both Areas</li><li>Ability to complete the Electrification projects</li><li>Fleet to service the two areas is available</li><li>Provision of high-mast lights to various wards</li></ul>	<ul style="list-style-type: none"><li>Inability to carry out major maintenance due to budget constraints</li><li>Deteriorating Network from lack of maintenance</li><li>Lack of Bulk statistical metering system</li><li>Inability to realise full collection from Consumers at Roossenekal</li><li>Lack of revenue enhancement strategy.</li></ul>
Opportunities	Threats
<ul style="list-style-type: none"><li>Revenue base can be increased.</li><li>We can establish system of improving revenue collection through the use of prepayment</li><li>Groblersdal Capacity can be upgraded to 11Kv 2 x 20 MVA</li></ul>	<ul style="list-style-type: none"><li>The loss of the one 20 MVA transformer will pose a problem to Municipal Customers.</li><li>Inability of paying Eskom account and Maintaining the high mast lights in various wards due to none payment customers</li><li>Skill retention strategy</li></ul>

**Table 1: Employees in electricity unit information**

Employees: Electricity Services					
Job Level task grades	2016/17		2017/18		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0				0%
4 – 6	03	06	03	03	33%
7 – 9	01	02	01	01	0%
10 – 12	04	05	04	01	20%
13 – 15	0	01	0	01	100%
16 – 18	01	01	01	0 0	0%
<b>Total</b>	<b>09</b>	<b>15</b>	<b>09</b>	<b>06</b>	<b>20%</b>

**Table 2: Capital expenditure on Electricity services**

#### **Capital expenditure on Electricity services**

Capital Expenditure Year 2018/2019 : Electricity Services						R' 000
Capital Project	2017/18					
	Original budget	Budget Adjustment	Actual Expenditure	Variance	Total Budget	
Total All	R 9 988 000	0	R9 986 622.11			
Electrification of Masakaneng	R3,344,000.00	0.00	R3,344,578.80			
Electrification of Makaapea	R3,300,000.00	0.00	R3,300,000.00			
Electrification of Tambo	R3,344,000.00	0.00	R3,342,043.22			

## **2.12 WASTE MANAGEMENT**

Elias Motsoaledi Local Municipality renders an effective refuse removal service to households and Businesses in the following areas: Motetema, Hlogotlou, Groblersdal, Roosnekal (Town & RDP). During the year under review the municipality was unable to render refuse removal services to Elanddoorn, O R Tambo Township and Walter Sisulu RDP. Refuse removal service has been outsourced to Selema Plant Hire/ Mashumi Construction Supply and Projects. Municipality provides street cleaning and litter picking services in Groblersdal town only, cleaning of illegal dumps is being done as when as it is required throughout the municipality. The project has created 30 Job opportunities.

### **2.12.1 Landfill sites:**

Municipality has two (2) licensed Landfill sites, namely Groblersdal, Roosenekal and one (1) transfer station at Hlogotlou. The municipality has outsourced the management of landfill sites to Selema Plant Hire. The project has generated 08 job opportunities for the local communities inclusive of all available skills.

**Table 3: Waste streams:**

<b>Waste streams</b>	<b>Total volumes in tons</b>
Domestic waste	1096,42
Business Waste	3857,63
Builders Waste	2154,46

#### 2.12.2 Recycling:

**Table 4: Recycling firms operate within the municipality:**

<b>Name</b>	<b>Location</b>	<b>Material recycled</b>
Silver ink Environmental solution	Groblerdal	Card box and Plastic
Poverty combaters	Moutse	Card box and Plastic
Pieterse Scrap Metals	Groblerdal	Steel
JH Metals	Groblerdal	Steel

#### 2.12.3 Awareness campaigns

The Municipality has conducted Environmental Awareness and cleaning campaigns in the following areas:

- Masakaneng Village
- Groblersdal Landfillsite
- Groblersdals: EMLM Chamber
- Sindile Primary School

**Table 5: Distribution of skips (Rented skip bins on monthly basis)**

<b>Area</b>	<b>Number of containers</b>	<b>Ward</b>	<b>Frequency of collection</b>
Groblerdal Taxi rank	3	13	As and when is required
Groblerdal bus terminal	1	13	As and when is required
Marble hall road next to standard bank	1	13	As and when is required
Voortrekker street	2	13	As and when is required
Open space behind quality meat	1	13	As and when is required
Complex next to Nandos	1	13	As and when is required
Home affairs	1	13	As and when is required
Parking opposite Groblersdal library	1	13	As and when is required
EMLM main Office	1	13	As and when is required
Mogaung	1	22	As and when is required
Luckau	1	24	As and when is required
Medupi crèche	1	25	As and when is required
U save Tafelkop	1	26	As and when is required
Tafelkop (Stadium)	1	27	As and when is required
Tafelkop: Boikano disability center	1	28	As and when is required
Tafelkop – Motetema road	1	R579	As and when is required

**Table 6: Skip bins places at strategically points to address illegal dumping**

Area	Number of containers	Ward	Frequency of collection
Groblersdal Taxi rank	3	13	As and when is required
Groblersdal bus terminal	1	13	As and when is required
Marble hall road next to standard bank	1	13	As and when is required
Voortrekker street	2	13	As and when is required
Open space behind quality meat	1	13	As and when is required
Complex next to Nandos	1	13	As and when is required
Home affairs	1	13	As and when is required
Parking opposite Groblersdal library	1	13	As and when is required
EMLM main Office	1	13	As and when is required
Mogaung	1	22	As and when is required
Luckau	1	24	As and when is required
Medupi crèche	1	25	As and when is required
U save Tafelkop	1	26	As and when is required
Tafelkop (Stadium)	1	27	As and when is required
Tafelkop: Boikano disability center	1	28	As and when is required
Tafelkop – Motetema road	1	R579	As and when is required

**Table 7: Level of service for refuse removal for households**

Service Area/Suburb	Collection Day			
		2016/2017	2017/2018	2018/2019
Roossenekal	Monday & Thursday	578	578	578
Groblersdal A and B	Tuesday - A Thursday - B	1300	1300	1300
Hlogotlou A, B and RDP	Wednesday - A Friday - B and RDP	3220	3220	3220
Motetema	Tuesday	1142	1142	1142
<b>TOTAL</b>		<b>6240</b>	<b>6240</b>	<b>6240</b>

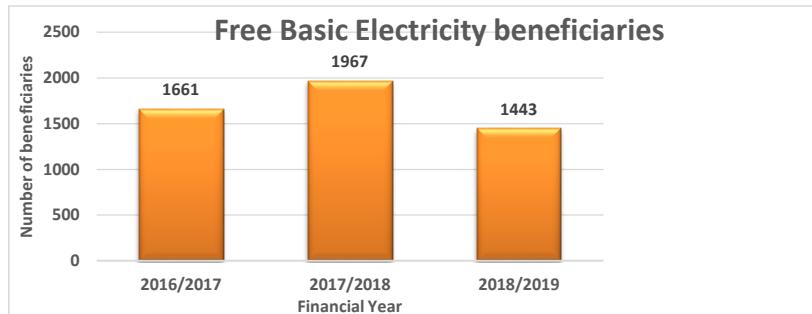
**Table 8: Employees for Solid Waste Management Services**

Employees: Solid Waste Management Services					
Job Level task grades	2018/2019				
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
4 – 6	11	58	11	47	81%
7 – 9	07	10	07	03	30%
10 – 12	01	03	01	02	67%
13 – 15	01	01	01	0	0%
19 – 20	01	01	01	0	0%
Total	22	73	22	51	71%

#### 2.12.4 FREE BASIC SERVICES AND INDIGENT SUPPORT

EMLM has an indigent policy in place which outlines criteria for registering indigents. Free basic electricity is the only benefit that municipality provides to indigents households. The number of indigent registered in the financial year under review is 6941 and only 1443 were configured by Eskom to receive free basic electricity which is an increase from 2017/2018 financial year. Municipality provides free basic electricity to both Eskom- and municipal-licensed areas. Municipality budgeted R1, 260 million for free basic electricity and the actual expenditure thereof amounted to R663 000.00 by the end of the financial year.

**Graph 2: Free Basic Electricity beneficiaries**



**Table 9: Financial Performance 2017/18: Cost to Municipality of Free Basic Services Delivered.**

	Financial Performance 2018/2019: Cost to Municipality of Free Basic Services Delivered R'000						
	Services Delivered	2015/16	2016/17	2018/2019			
		Actuals	Actuals	Original Budget	Adjustment budget	Actuals	Variance to Budget
Electricity		R195	R195	R2,000	R1,260	R663	R596
Mayor and Council: Mayor		R 0	R 0	R213	R213	R177	R34
Waste Management (Solid Waste)		R 0	R 0	R0	R0	R0	
Total		R1 000	R195	R2,213	R1,473	R840	R630

#### COMPONENT B: ROAD TRANSPORT

#### 2.13 TRANSPORT OVERVIEW

EMLM has one mode of transport: which is road transport. Communities depend on buses, taxis and their own cars for transportation. There are two bus companies within the municipality, namely Great North Transport and PUTCO. Great North Buses provide services locally in all 31 wards and PUTCO Buses provide services from Groblersdal and Moutse area to City of Tshwane on daily basis. PUTCO service in Groblersdal is available only in the morning and afternoon as compared to Moutse area where the service to City of Tshwane is available the whole day. Most community members rely on buses as the cheapest mode of transport and few utilises taxis and their own cars as mode of transport. Buses are available in all 31 wards to commute people to their destination. Most community members rely on bus services because of their accessibility to remote areas as compared to taxis that use main roads only. The municipality has appointed a service provider for the development of roads and

storm water master plan, the objectives is to get the maintenance plan, conditional assessment of the roads and priority list in terms of maintaining and upgrading the municipal roads.

#### **2.13.1 PERFORMANCE ON ROADS**

The municipality has a backlog of 1299.44km of gravel roads and 7.71km of roads were constructed during the year under review. The total capital budget of municipality was R77 301 754 that was adjusted upwards to R110 949 069 during the special adjustment budget and the actual expenditure was R108 124 941. The municipality has gravel road programme in place. Roads and Storm water are key Municipal functions. Most roads within the Municipality are in a state of decay, with provincial roads in dire need for resealing and surfacing. Gravel roads are also a challenge as most are inaccessible due to lack of storm water controls. The municipality extended the maintenance teams to accelerate its services to every ward through satellite offices. The long term strategy of the Municipality is to surface roads within the municipal area even though the Municipality relies on Grants for roads projects. To improve accessibility to villages, 70km has been regravelled and 536.5km bladed.

**Table 10: Gravelled and asphalted roads**

Gravel Road Infrastructure		Kilometres		
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to asphalt / surfaced roads	Gravel roads graded /maintained
2016/17	1311.95km	0km	6.3km	573km (Bladed)
2017/18	1305.65km	0km	6.21km	641km (Bladed)
2018/19	1299.44km	0km	7.71km	536.5km (Bladed) 70km (regravelled)

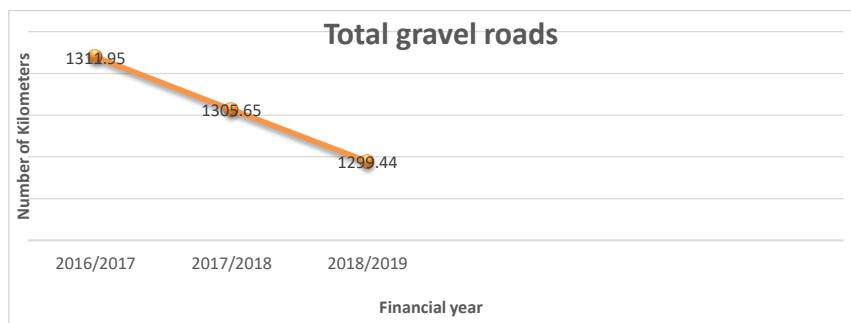
**Table 11: Asphalted Road Infrastructure**

Asphalted Road Infrastructure					Kilometres
	Total roads (backlog)	New asphalt / surfaced roads	Existing asphalt roads re-surfaced	Asphalt roads maintained	
2016/17	1311.95km	6.3km	0km	0km	
2017/18	1305.65km	6.21km	4.5km	4.6km	
2018/19	1290.34	7.71km	12.6km	0km	

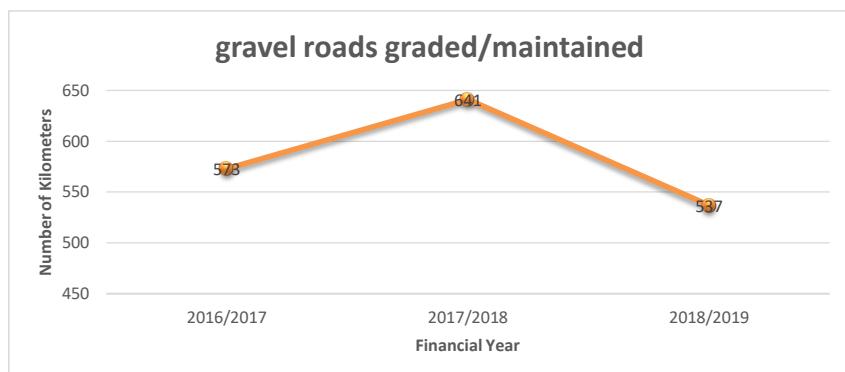
**Graph 3: New asphalt road constructed**



**Graph 4: Total Gravel roads**



**Graph 5: Gravel roads graded/ maintained**



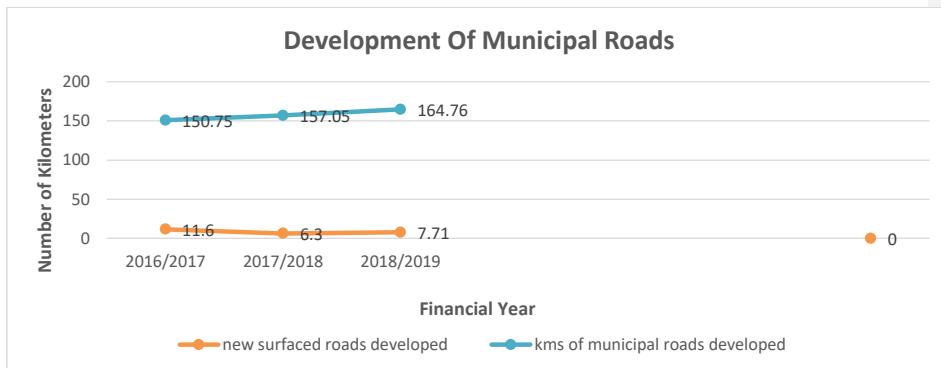
**Graph 6: Existing asphalt roads re-surfaced**



**Graph 7: Asphalt roads maintained**



**Graph 8: Development of municipal roads**



**Table 12: Roads and stormwater services employees**

Employees: Roads and storm water services					
Job Level task grade	2016/17		2018/2019		
	Employees No.	posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts)
4 – 6	68	84	64	20	23%
7 – 9	01	06	06	0	0%
10 - 12	0	02	01	01	50%
13 - 15	02	02	01	01	50%
Total	71	94	72	22	23%

**Table 13: Development of municipal roads**

Development of municipal roads as required	new surfaced roads developed	km of municipal roads developed
2016/2017	11.6 km	150.75km
2017/2018	6.3km	157.05km
2018/2019	7.71km	164.76km

**Table 14: Capital Expenditure for road services**

Capital Expenditure 2018/19: Road Services						R' 000
Capital Projects	2018/19					Source of funding
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Kgaphamadi construction of bus route, bridge and storm water control	R19,942,000.00	0.00	R19,925,817.73			MIG
Construction of Laersdrift bus road	R16,515,084.13	0.00	R15,477,342.70			MIG
Mpheleng construction of bus route and strom water control	R9,750,000.00	0.00	R9,747,691.98			MIG
Kgoshi Mathebe, Matsepe and Makgopheng construction of ring road and storm water control	R9,000,000.00	0.00	R8,993,725.21			MIG
Naganeng bus road and storm water control	R6,624,915.87	0.00	R6,624,915.87			MIG
Groblerdal Roads and Streets	R4,420,005.45	0.00	R4,420,005.45			Revenue
Rehabilitation of Ramogwerane to Nkadimeng road	R1,725,000.00	0.00	R1,722,424.00			Revenue
Construction of Nyakoroane road	R1,500,002.00	0.00	R1,493,735.00			Revenue

#### 2.13.2 MUNICIPAL INFRASTRUCTURE GRANT EXPENDITURE

**Table 15: Municipal infrastructure grant expenditure**

Municipal Infrastructure Grant (MIG)* Expenditure 2018/2019 on Service backlogs						R' 000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Original Budget	Adjustment Budget	
<b>Infrastructure - Road transport</b>						
Roads, Pavements & Bridges	R53,832,000.00	R8,000,000.00	R61,832,000.00			
Storm water	R0	R0	R0	R0	R0	
<b>Infrastructure - Electricity</b>						
Generation	R0	R0	R0	R0	R0	

Municipal Infrastructure Grant (MIG)* Expenditure 2018/2019 on Service backlogs R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Original Budget	Adjustment Budget	
Street Lighting	R0	R0	R0	R0	R0	
Infrastructure - Other	-					
Transportation	R0	R0	R0	R0	R0	
Gas	R0	R0	R0	R0	R0	
<b>Other Specify:</b>						
Sports - Outdoor	R0	R8,079	R8,079	(R8,079)	R0	
Street Parking	R0	R0	R0	R0	R0	
Waste Management	R0	R0	R0	R0	R0	
<b>Total</b>						

### COMPONENT C: PLANNING AND DEVELOPMENT

#### 2.14 Departmental Overview

The core functions of Development Planning department are as follows;

- Spatial Planning and Land Use Management,
- Upholding building regulations to promote uniform standards in terms of building of structures as per the provision of National Building Regulations and Building Standards Act (103:1977).
- Property Management
- Promoting Local Economic Development
- **Land Use Applications**

The total number of land use and land development applications received and processed within a period of 90 days are thirteen (13). Those applications as tabulated below were for various uses such as rezoning, subdivisions, consolidations, removal of restrictive conditions, township establishments, consent uses, and way-leave services. Respectively were processed by the relevant authority in terms of categorization enshrined in Spatial Planning and Land Use Management Act (SPLUMA), Act no 16 of 2013 read together with EMLM SPLUMA Bylaw, 2016.

**Table 16: The processed Land Use Applications**

<b>RESPONSIBLE AUTHORITY</b>	<b>DESCRIPTION OF APPLICATION</b>
Authorised Official	Proposed removal restrictive conditions on the title deed in terms of section 63 of the EMLM Spatial planning and land use management by-law, 2016. Portion 1 of Erf 254 Groblersdal Ext 2
Authorised Official	Proposed Consent use in terms of section 74 of the EMLM Spatial planning and land use management by-law, 2016. Portion 1 of Erf 254 Groblersdal Ext 2.
Authorised Official	Proposed special consent in terms of section 74 of the EMLM spatial planning and land use management by-law, 2016. Portion 5 of the farm Hartebeesfontein 20 JS.
Authorised Official	Proposed exemption in terms of section 69(1) (d) (i) of EMLM SPLUMA by-law, 2016. Walkraal 35 JS, Zondagsfontein 32 JS, Valschfontein 33js, Kuilsriver 31JS and Loskop Noord 12 JS.
Authorised Official	Proposed wayleave. Moratiwa Crossing
Tribunal	Proposed rezoning in terms of section 62 and subdivision in terms of section 65 of the EMLM spatial planning and land use management by-law, 2016. Portion 0 of Vlaklaagte 154JS.
Tribunal	Proposed consolidation in terms of section 71 and subsequent subdivision in terms of 65 and simultaneous rezoning in terms of section 62 of the EMLM spatial planning and land use management by-law, 2016. Remainder of portion 4 and portion 9 of farm Luckau 127 JS.
Authorised Official	Proposed exemption in terms of section 69(1) (G) of the EMLM spatial planning and land use management by-law, 2016. Portion 10 of farm Rooikraal 188 JS.
Tribunal	Proposed rezoning in terms of section 62(1) of the EMLM spatial planning and land use management by-law, 2016. Erf 677 Motetema-A.
Authorised Official	Proposed wayleave. Loskop rugby club
Authorised Official	Proposed consent in terms of section 74 of the EMLM spatial planning and land use management by-law, 2016. Portion 26 of the farm Dewagendrift 79 JS.
Authorised Official	Proposed exemption in terms of section 69(e) of the EMLM spatial planning and land use management by-law, 2016. Remainder of portion 370 of the Loskop Suid 53js
Authorised Official	Proposed special consent to operate guest house. Erf 64 Groblersdal

Since the development, planning department is the custodian of land use and land development management, the implementation of Spatial Planning and Land Use Management (SPLUMA), Act no 16 of 2013 is at the core of the departmental functions. In supporting the traditional authorities on proper planning for human settlements, the municipality has undertaken the process of demarcating sites for the Bakwena Ba Matsepe (at Tafelkop Makaapea) and Ndebele Tribal (Mogaung village) Traditional authority respectively. These undertakings seek to create and foster a sustainable and uniform use of land.

Presumably, the above arrangement will result in cheaper installation of engineering services (i.e. water, sewer, electricity, storm water and internal roads) and solid waste.

#### **2.14.1 Building Control**

Building Control is a statutory function assigned to local authorities in terms of the Constitution. The National Building Regulations and Building Standards Act (Act 103 of 1977) also assigns duties to local authorities, the most important of which are the approval of building plans applications, enforcement of the regulations and the issuing of certificates of occupancy.

The National Building Regulations and Building Standards Act No. 103 of 1977 makes provision for the promotion of uniformity in the law relating to the erection of buildings in the areas of local authorities; for prescribing building standards, and for matters connected therewith.

The building control give effects to the provisions of the act by fulfilling its functions by controlling and regulating the following building activities:

- Erection of new buildings
- Alterations/extensions/conversions of existing buildings
- Demolition of existing/structures

In addition, the other services by building control division include the following:

- Building plan approval
- Minor works permit approval(for work such as swimming polls, small' wendy' houses etc)
- Temporary structure permits
- Demolishing permits
- Building inspection during the construction period
- Issuing of occupancy certificates
- General enforcement of building regulations
- Investigations and resolving building complaints, contraventions and illegal building work
- Maintaining statistics on building construction activity.

#### 2.14.2 **Building plans applications**

The total number of building plans applications of more than five hundred (500) and less than square metre received and processed. Those applications were in the form of dwellings, commercial, industrials, churches, and also alterations and additions of buildings.

Number of dwellings applications	Number of commercial applications	Number of other applications
63	37	9

#### 2.14.3 **Site Development plans applications**

The total number of site development plans received and processed were sixteen (16)

#### 2.14.4 **Revenue collected**

The total revenue collected as a result of the above mentioned services provided is three hundred and sixty five thousand six hundred and six rand forty eight cent (R 365 606.48).

#### **2.14.5. Occupation certificates issued**

The total number of occupation certificates issued for commercial and dwelling buildings is twenty (20).

#### **2.14.6. Building Inspections**

More than six hundred (600) construction sites were visited to ensure compliance and enforcement of building regulations. In addition, thirty three (33) non-compliances were issued and thirty (30) of them resolved by complying as the law required.

### **2.15. Challenges and Opportunities**

This entails problems that currently experienced by the local authority and have a bearing in land development matters in general. In addition, opportunities to that effect are also tabled in order to privilege the community with possible opportunities the municipality is likely to harness.

#### **Challenges**

- Land invasion, unlawful demarcation of sites and selling of stands on municipal and state owned land
- Mushrooming of informal settlements,
- Poorly managed stated owned properties i.e. houses that are owned by the Department of Public Works in Groblersdal.

#### **Opportunities**

- Agriculture potential
- Groblersdal - a provincial growth point, it is also host to strategic roads, i.e. the R25, N11 that provide accessibility to major urban centres
- Availability of municipal land for development.

### **2.16. Local Economic Development**

Elias Motsoaledi Local Municipality supports participative strategies for local economic development in its area of jurisdiction, with the aim of promoting economic growth geared to local conditions and resources, creating income and employment opportunities for all segments of the population and enhancing good governance at local level

The municipality is operating in a market economy wherein the engines of economic development are primarily in the hands of private businesses that create wealth and jobs however the private sector cannot succeed without favorable business conditions in which to thrive and grow. The municipality is currently working hand in gloves with other public sector institutions in helping to establish and maintain those favorable business conditions so that firms that operates within the jurisdiction of the municipality can compete successfully and fairly with firms from other regions.

Given the above conditions and the roles that the municipality has played in pursuit of local economic development in 2018/19 financial year are amongst others; that the municipality in collaboration with Department of Public Works has managed to create 1760 work opportunities through EPWP and CWP programmes. In addition, the Gold Rush Gaming Group has created 43 permanent employment opportunities by opening a new branch at Groblersdal Regional Mall.

In striving to capacitate the SMMEs and cooperatives the municipality in collaboration with SEDA (Small Enterprise Development Agency) has ensured that 33 enterprises received their working equipment through IMEDP (Informal and Micro- Enterprise Development Programme), the equipment are for catering, saloon, dress making, car wash, cleaning, electrical and etc. It is expected that this start-up equipments will assist these enterprises to grow and make a meaningful impact on our economy.

In striving to capacitate local business entities, the municipality has embarked on a year long training for 30 SMMEs and Cooperatives, which focused on:

- Practical Costing & Pricing
- Basic Accounting Practices
- Managing Finances
- Basic Financial Statement
- Customer Care
- Income Tax
- Tendering
- Project Management
- Business Plan

In response to both the social and economic problems affecting local communities, economic growth and enterprise development are considered one of the catalytic efforts to effectively address the reduction of the challenges experienced by local people. It was based on the above statement that a recommendation was concluded to host an event promoting locally owned businesses to strengthen their participation in the mainstream economy.

The intention was to promote the township and rural economy and also to encourage active participation of the private sector. The event was held on the 12th of April 2019 at Moutse Central Circuit, during the event the then MEC Seaparo Sekoati donated operational equipment and materials to 11 (eleven) of the identified small business owners from Moutse community as a support mechanism to sustain their businesses. These enterprises were supported through LEDA Enterprise Development and Finance Division complemented by the support from other local developmental institutions such as Department of Agriculture and LED unit from the Municipality.

To develop capable institutions which will drive economic development, there is need for provision and maintenance of critical infrastructure. SANRAL is bringing huge investments in the form of road construction, improvement and maintenance. Currently four (4) national roads which cut across the municipality were identified for upgrading and maintenance, namely the N11, R573, R555 and R579. It is expected that these investments will create more opportunities for unemployed and SMMEs. Two Project Liaison Committees were established to facilitate works execution, sub-contracting and employment facilitation. They will also serve to ensure communication and transparency in the execution of works and to ensure inclusivity in the allocation of projects to benefit black business and local communities.

The youth were also prioritised, the municipality has facilitated the establishment of NYDA offices at Commando offices to nurture the business acumen of young people of Elias Motsoaledi Local Municipality and also expose them to funding and business or investment opportunities available within the country. We are in processing of witnessing the fruits of this office as young people are currently frequenting for various assistance.

The municipality has comparative advantage in terms of agricultural production, the major crops produced in our area includes citrus, table grapes and vegetables however, the majority of land reform farms are currently not operational due to myriad of challenges which amongst others includes lack of finance, production inputs, access to market, lack of skill and group dynamics. During the upcoming financial period 2019/20 the municipality together with relevant stakeholders will focus largely on unlocking these challenges such that the farms which were previously productive will resume with their production. This will help in terms of reducing persistent poverty amongst our communities since more jobs will be created during the production processes.

**Table 18: Jobs created through CWP**

Job creation through CWP*		
Year	No. of Wards	Participants
2016/2017	29	768
2017/2018	30	1264
2018/2019	31	1181

\* - Community Works Programme

**Table 19: Jobs created through EPWP**

Job creation through EPWP* Projects		
Year	EPWP Projects	Jobs created through EPWP Projects
	No	No
2016/2017	9	99
2017/2018	3	373
2018/2019	4	661

\* - Extended Public Works Programme

**Table 20: Employees for Local Economic Development**

Job Level	2018/2019			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
4 – 6	1	0	1	100%
7 – 9	1	1	0	0%
10 – 12	2	1	1	50%
13 – 15	1	1	0	0%
19 – 20	0	0	0	0%
Total	5	3	2	40%

**Table 17: Employees for Planning Services**

Job Level	2017/18			
	Posts (No)	Employees (No)	Vacancies - fulltime equivalents (No)	Vacancies (% of total posts)
7 – 9	2	1	1	50%
10 – 12	2	1	1	50%
13 – 15	2	1	1	50%
16 – 18	1	1	0	0%
<b>Total</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>43%</b>

#### **COMPONENT D: COMMUNITY AND SOCIAL SERVICES**

##### **2.17. Overview**

###### **2.17.5. LIBRARIES**

Municipality operates library services in Groblersdal, Roosenekal and Sephaku village to improve the culture of learning.

**Table 21: Employees for libraries**

Job Level  task grades	Employees: Libraries				
	Employees  No.	2018/2019			
		Posts  No.	Employees  No.	Vacancies (fulltime equivalents)  No.	Vacancies (as a % of total posts)  %
4 - 6	0	0	0	0	0
7 - 9	0	03	0	0 3	0%
10 - 12	03	03	03	0 3	100%
16 - 18	0	0	0	0	0
<b>Total</b>	<b>03</b>	<b>06</b>	<b>03</b>	<b>0 3</b>	<b>100%</b>

###### **2.17.6. CEMETERIES**

The municipality has a total number of 84 cemeteries and only 04 are well maintained which are: Groblersdal, Roosenekaal, Motetema and Hlogotlou. Cemeteries in rural areas are without fencing and ablution facilities. The municipality is responsible for cleaning and cutting grass in cemeteries as and when the service is required. There is a grave digging service in Groblersdal cemeteries only and in other wards, graves are dug by community members.

## **2.17.7. SAFETY AND SECURITY**

### **2.17.7.1. Traffic**

The Municipality provides public safety services through effective and informed Law-enforcement of the National Road Traffic Act, National Land Transport Act, National Land Transport Transition Act and the Municipal By-Laws. Other services provided also include but are not limited to escorts and point duties that promote the free flow of traffic at accidents and events or marches. The Traffic Division also aims at having a well-informed and educated public by working together with the Limpopo Department of Transport (Road Safety division) in their Educational and Road Safety programs. The purpose of safety and security unit is to ensure that vehicle and pedestrian traffic are controlled effectively (24) twenty-four hours a day (365) three hundred and sixty-five days a year.

The vast increase in vehicle population and limited resources resulted in the Municipality embarking on a project to outsource speed and red light law enforcement cameras by effectively executing speed law enforcement at 20 identified hot spots in the area of jurisdiction of Elias Motsoaledi Local Municipality.

Municipality works jointly with Limpopo Provincial Department of Transport and the SAPS to reduce accidents during the festive seasons that include the Easter - and Christmas holidays.

**Table 23: Law Enforcement statistics**

Description	2017/ 2018	VALUE	2018/ 2019	VALUE
Total Section 56 issued	3 974	R 4 541 750.00	3 985	R 4 877 550.00
Total Section 341 issued	117	R 88 000.00	131	R 109 500.00
Total Camera fines printed	100 854	R 77 911 050.00	57 155	R 43 658 700.00
Total Section 56 paid	789	R 648 030.00	650	R 305 460.00
Total Section 341 paid	12	R 8 800.00	10	R 4 250.00
Total Camera fines paid	11 623	R 6 684 828.00	9 128	R 5 131 285.00
Total Section 56 withdrawn	1 441	R 1 315 750.00	1 612	R 2 12 950.00
Total Section 341 withdrawn	6	R 6 750.00	0	0
Total Camera fines closed	13 841	R 10 947 800.00	457	R 355 500.00
Warrants	1 423	R 1 823 250.00	1 067	R 1 446 600.00
Total Section 56 outstanding	1 744	R 2 229 500.00	1 671	R 2 108 050.00
Total Camera fines outstanding	75 390	R 60 278 422.00	60 324	R 46 870 750.00
Total Section 341 outstanding	107	R 78 750.00	121	R 100 750.00

### **2.17.7.2. Licensing**

Elias Motsoaledi Local Municipality is a registered Registration Authority with a Grade A Driving License Testing Facility and a non-functioning Grade A Vehicle Testing Facility. The Licensing Division is a core revenue generating part of the municipality with a well-developed organizational structure to ensure uninterrupted, effective and efficient service to the public. The municipality uses electronic Learners License. The electronic learners' license is the corrective measure implemented to curb corruption in the DLTC. The system is user-friendly and 100% fair and has been found to eliminate fraud and corruption in the Learners License tests.

The table below provides the Learner and Driving License statistics for the past three financial years:

**Table 24: Learners licence information**

Description	2017/2018	2018/2019
number of learners application received	1330	902
number of learners licence passed	806	510
number of learners licence failed	473	349

**Table 25: Driver's license information**

Description	2017/2018	2018/2019
number of drivers licence application received	1482	1813
number of drivers licence passed	1228	1581
number of drivers licence failed	127	138

## **COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES**

### **2.18. EXECUTIVE AND COUNCIL**

Executive committee is the principal committee of the council which receives reports from the other committees of the council and which must forward these reports together with its recommendations to the council when it cannot dispose of the matter in terms of its delegated powers. The executive committee must identify the needs of the municipality, review and evaluate those needs in order of priority. The committee recommends to municipal council strategies, programmes and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans.

The municipality comprises of three service delivery priorities which is the roads, waste management and electricity. The municipality is having 1352 kilometer of roads. Due to the vastness and rural nature of the municipality, priority is given to roads functions to ensure that internal roads are maintained for accessibility to community members for them to access municipal services. 7.71km of roads were completely surphased through MIG grant and internal funding in the year under review.

### **2.19. HUMAN RESOURCE SERVICES**

Human resource comprises of occupational health services, labour relations, administration, payroll and ICT units. It is responsible for the recruitment processes, leave administration, disciplinary procedures, skills development, pay roll, ICT and labour relation issues.

## 2.20. INFORMATION TECHNOLOGY

EMLM has ICT unit in place with the total number of 07 officials and most of the services are outsourced. ICT unit is responsible for running daily, weekly, monthly data and backups. It ensures that municipal website is always functional and provides user support. There is a helpdesk where all ICT related queries are forwarded through emails and Technicians will respond to those queries in sufficient time. ICT unit ensures that network is always available to all municipal applications such as Munsoft, emails, internet, payroll system and leave system for efficient and effective service delivery.

**Table 26: Employees for ICT unit**

Employees: ICT Services (how many employees on the listed task grades and vacancies)				
Job Level	2018/2019			
	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
4 - 6	1	1	0	0%
7 - 9	0	0	0	0
10 - 12	5	4	1	20%
13 - 15	1	1	0	0%
19 - 20	0	0	0	0
<b>Total</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>14%</b>

**Table 27: Capital expenditure for ICT unit**

Capital Expenditure 2018/2019: ICT Services					
Capital Projects	2018/2019				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Computer Equipment	300 000	800 000	700 232.90	99 767.10	700 232.90

**COMPONENT J : PERFORMANCE REPORT (INSTITUTIONAL SCORECARD)**

**KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE**

**STRATEGIC OBJECTIVES : To promote integrated human settlements**

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Spatial planning	% site demarcation at Ga-Matsepe	1000 000	869 565	0	New	100% site demarcation application	15% appointment letter and inception report	Delays due to requirements to comply with supra legislations as well as consultation with the host traditional authority	Council granted approval of extension of period in terms of section 116 of MFMA	Appointment letter and inception report	Not achieved	Development planning
Spatial planning	% site demarcation at Inkosi Mahlangu				New	100% site demarcation application	15% appointment letter and inception report	Delays due to requirements to comply with supra legislations as well as consultation with the host traditional authority	Council granted approval of extension of period in terms of section 116 of MFMA	Appointment letter and inception report	Not achieved	Development planning
Spatial planning	Subdivision of Erve Roosenekal	Opex	Opex	opex	New	100% approved subdivision application	15% appointment letter and inception report	Delays due to requirements to comply with supra legislations as well as consultation with the host	Council granted approval of extension of period in terms of section 116 of MFMA	Appointment letter and inception report	Not achieved	Development planning

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
								traditional authority				
Land use management	% development of land use scheme (LUS)	Opex	Opex	0	new	50% LUS status quo report	50% LUS status quo report	None	None	LUS status quo report	Achieved	Development planning
Land use management	% of land use applications received and processed within 90 days	Opex	Opex		100%	100%	100% of land use applications received and processed within 90 days	None	None	Land use application register	Achieved	Development planning
Compliance with National building regulations	% of new building plans of less than 500 square meters assessed within 10 days of receipt of plans	n/a	n/a		100%	100%	100% of new building plans of less than 500 square meters assessed within 10 days of receipt of plans	None	None	Building plans application register	Achieved	Development planning

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Compliance with National building regulations	% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans	n/a	n/a		100%	100%	100% % of new building plans of more than 500 square meters assessed within 28 days of receipt of plans	None	None	Building plans application register	Achieved	Development planning
Compliance with National building regulations	% of inspections conducted on building construction with an approved plan to ensure compliance with Sec 6© and 17(b) of national regulations and building standard Act	n/a	n/a		100%	100%	100% % of inspections conducted on building construction with an approved plan to ensure compliance with Sec 6© and 17(b) of national regulations and building standard Act	None	None	Inspection report	Achieved	Development planning

## **KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION**

**Strategic objectives:** To build capable, responsive, accountable, effective and efficient municipal institutions and administration

<b>Programme</b>	<b>Key performance indicator</b>	<b>Budget Source</b>	<b>Adjusted budget</b>	<b>Expenditure</b>	<b>Audited Baseline 2017/18</b>	<b>Annual target</b>	<b>progress to date</b>	<b>challenges /variances</b>	<b>remedial action</b>	<b>Evidence</b>	<b>Achieved / Not achieved</b>	<b>Responsibility</b>
Policy review	Number of corporate services related policies reviewed and approved	n/a	0	0	new	3 overtime policy, subsistence and traveling policy	9 policies reviewed	None	None	Council resolution	Achieved	Corporate services
Policy development	Number of policies developed and approved	n/a	n/a	0	new	1 behaviour management policy	0 draft behaviour management / personal protection of information policy in place  Record management policy was developed	Awaiting comments on draft behaviour management policy  Personal protection of information policy from SSA (state security agency)	Follow up on draft behaviour management policy  Development of records management policy was consequent to audit findings	Council resolution	Not achieved	Corporate services
Employment equity	Establishment of employment equity forum	n/a	0	0	New	1	1 employment equity forum established	None	None	Appointment letters	Achieved	Corporate services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	by 1 February 2019						prior to 1 February 2019					
	Submission of employment equity report to DOL by 31 <sup>st</sup> January 2019	n/a	n/a	n/a	New	1	1 employment equity report to DOL by 31 <sup>st</sup> January 2019	None	None	Acknowledgement letter	Achieved	Corporate services
Skills programme	Number of employees approved for study financial assistance	opex	Opex	Opex	New	1	4 employees approved for study financial assistance	None	None	Approved letters signed by municipal manager	Achieved	Corporate services
WSP	Approval of reviewed WSP (work skills plan) by 30 June 2019	n/a	n/a	n/a	new	1	1 WSP (workplace skills plan) reviewed by 30 <sup>th</sup> June 2019	None	None	Council resolution	Achieved	Corporate services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	% of a municipality's budget actually spent on implementing its workplace skills plan	1%	1%	1%	0.9%	1%	1 97%(1 364 573.61/R1 403 100.00) municipality's budget actually spent on implementing workplace skills plan	None	Nine	Budget report	Achieved	Corporate services
LLF	Number of LLF meetings held	n/a	n/a	n/a	6	12	13 LLF meetings held	Municipal grading, slowness of job evaluation	Continuous engagement with SALGA and organised labour	Attendance register and minutes	Achieved	Corporate services
ICT	Number of ICT steering committee meetings	n/a	n/a	n/a	5	4	4 ICT steering committee meetings held	None	None	Attendance register and minutes	Achieved	Corporate services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	Number of ICT reports generated	n/a	n/a	n/a	New	8	8 ICT reports generated	None	None	ICT reports	Achieved	Corporate services
Customer services	Number of customer care services reports generated	n/a	n/a	n/a	New	8	8 Customer care services reports generated	None	None	Customer care reports	Achieved	Corporate services
Staff turnover	Number of staff turnover reports generated	n/a	n/a	n/a	New	8	8 Staff turnover reports generated	None	None	Staff turnover reports	Achieved	Corporate services
Occupational health and safety (OHS)	Number of OHS reports generated	n/a	n/a	n/a	New	8	8 OHS reports generated	None	None	OHS reports	Achieved	Corporate services
Employee Assistance Programme (EAP)	Number of employee assistance programme	n/a	n/a	n/a	New	8	8 Employee assistance programme	None	None	EAP reports	Achieved	Corporate services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variences	remedial action	Evidence	Achieved / Not achieved	Responsibility
	reports generated						reports generated					
Disciplinary cases	Number of disciplinary cases reports generated	n/a	n/a	n/a	New	8	8 Disciplinary cases reports generated	None	None	Disciplinary cases report	Achieved	Corporate services
Training	Number of training reports generated	n/a	n/a	n/a	New	8	8 Training reports generated	None	None	Training reports	Achieved	Corporate services
Performance management	% of KPI and projects attaining organisational targets (total organisation) by 30 June 2019	Opex	Opex	Opex	67%	95%	73% KPI and projects attaining organisational targets (total organisation) by 30 June 2019	09 capital projects were not achieved, AG matters and internal audit findings were not fully addressed	To ensure improvement in all KPA's in the next financial year	Performance report	Not achieved	Municipal manager

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	Final SDBIP approved by mayor within 28 days after approval of budget	n/a	n/a	n/a	1	1	1 Final SDBIP approved by mayor within 28 days after approval of budget	None	None	Approved SDBIP	Achieved	Municipal manager
Municipal infrastructure grant (MIG)	Number of MIG reports submitted to Coghsa	n/a	n/a	n/a	New	12	12 MIG reports submitted to Coghsa	None	None	Proof of submission	Achieved	Infrastructure
Department of energy (DOE)	Number of reports submitted to department of energy	n/a	n/a	n/a	New	12	12 reports submitted to department of energy	None	None	Proof of submission	Achieved	Infrastructure

### KPA : 3 LOCAL ECONOMIC DEVELOPMENT

**Strategic objectives:** To promote conducive environment for economic growth and development

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
EPWP	Number of job opportunities provided through EPWP grant by 30 June 2019 (GKPI)	EPWP grant	EPWP Grant		68	69	69 EPWP participants employed	None	None	List of approved appointees	Achieved	Development planning
	Number of job opportunities created on capital projects through EPWP grant by 30 June 2019 (GKPI)	EPWP grant	EPWP grant	10 002 000	468	500	312 job opportunities created on capital projects through EPWP grant by 30 June 2019 (GKPI)	Unable to reach target due to the designs of projects	Training of consultants and municipal officials	List of appointees	Not achieved	Infrastructure

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	Grant agreement signed between EMLM and dept of public works stipulating the EPWP targets	n/a	n/a	n/a	1	1	1 Grant agreement signed between EMLM and dept of public works stipulating the EPWP targets	None	None	Signed grant agreement	Achieved	Municipal manager
SMME's	Number of networking events held by 30 June 2019	Opex	Opex		3	2	4 networking events held by 30 June 2019	None	None	Reports and attendance registers	Achieved	Development planning
	Number of SMME'S and co-operatives capacity building workshops/training held by 30 June 2019 (LED training g)	Opex	Opex		13	8	13 SMME'S and co-operatives capacity building workshops/training	None	None	Reports and attendance registers	Achieved	Development planning

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
LED strategy	% Reviewal of LED strategy	Opex	Opex	0	new	100% draft LED strategy	0% draft LED strategy	The identified client was unable to furnish the required documents to implement sec 32 of SCM regulation	To review the strategy internally	None	Not achieved	Development planning

#### KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

**Strategic Objective:** To improve sound and municipal financial management

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Financial management	Cost coverage ratio by the 30 June 2019 (GKPI)	Opex	Opex	n/a	4:01	1 to 3 months	0.28 Cost coverage ratio by the 30 June 2019 (GKPI)	Poor expenditure management	Reduce contracted services and implement cost containment measures	2018/2019 AFS	Not achieved	Budget and treasury
Revenue	% outstanding service debtors to revenue by the 30 June 2019 (GKPI)	Opex	Opex	n/a	15%.	5%	19.20% outstanding service debtors to revenue by the 30 June 2019 (GKPI)	Levy of property rates on unproclaimed township	Perform data cleansing on the valuation roll	2018/2019 AFS	Not achieved	Budget and treasury
Budget	Submission of MTREF budget to council 30 days before the start of the new financial year	n/a	n/a	n/a	1	1	1 MTREF budget to council 30 days before the start of the new financial year	None	None	Council resolution	Achieved	Budget and treasury

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
AFS	Audited annual financial statements (AFS) and audit report submitted to council by 25 January 2019	n/a	n/a	n/a	1	1	1 Audited annual financial statements (AFS) and audit report submitted to council by 25 January 2019	None	None	Council resolution	Achieved	Budget and treasury
SCM	Number of monthly SCM deviation reports submitted to municipal manager (reducing number of deviations)	n/a	n/a	n/a	12	12	12 monthly SCM deviation reports submitted to municipal manager (reducing number of deviations)	None	None	Signed deviation register	Achieved	Budget and treasury

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Expenditure	% payment of creditors within 30 days	Opex and capex budget	Opex and capex budget	Opex and capex budget	100%	100%	100% payment of creditors within 30 days	None	None	Creditors age analysis	Achieved	Budget and treasury
Assets management	Number of assets verification reports submitted to municipal manager by 30 June 2019	n/a	n/a	n/a	1	1	1 assets verification reports submitted to municipal manager by 30 June 2019	None	None	Assets verification report signed by MM	Achieved	Budget and treasury
Expenditure	% spend of the total operational budget excluding non-cash items by 30 June 2019	Opex	Opex	Opex	86%	95%	103% spend of the total operational budget excluding non-cash items by 30 June 2019	None	None	Budget report	Achieved	Municipal manager

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	Remuneration (employee related costs and councillors remuneration) as % total operating expenditure per quarter	Opex	Opex	Opex	<44%	25% to 40%	40% Remuneration (employee related costs and councillors remuneration) as % total operating expenditure per quarter	None	None	Section 71 report	Achieved	Municipal manager
Project management	% spending on MIG funding by the 30 June 2019	MIG	MIG	52 462 232	100%	100%	98% spending on MIG funding by the 30 June 2019	The unspent 2% is the additional allocation due to delay in approval of connection to R555 road by SANRAL	To apply for roll over from treasury	MIG monthly report	Not achieved	Infrastructure

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Electricity	% spending on INEP funding by 30 June 2019	INEP	INEP	7 439 000	new	100%	100% spending on INEP funding by 30 June 2019	None	None	INEP monthly report	Achieved	Infrastructure

#### KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

**Strategic Objectives:** To provide for basic services delivery and sustainable infrastructural development

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Electricity	Number of stands provided with electrical infrastructure by 30 June 2019 (GKPI)	INEP	INEP	7 439 000	98%	783	1188	None	None	Completion certificate	Achieved	Infrastructure
	% development of public lighting master plan	Opex	Opex	Opex	15%	100% developed public lighting master plan and adopted by council	100%	None	None	Council resolution	Achieved	Infrastructure
Roads and Stormwater	Kilometres of roads upgraded	MIG	MIG	52 462 232	8.26 km	9.3km	7.71km	Laersdrift project still under	To be finalised in 2019/2020 fy	Completion certificate	Not achieved	Infrastructure

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	from gravel to tar							construction				
Roads and Stormwater	Kilometres of gravelled roads regravelled	Opex	Opex	Opex	New	30km	70km	None	None	Completion certificate	Achieved	Infrastructure
	Kilometres of gravelled roads bladed	Opex	Opex	Opex	New	350km	536km	None	None	Completion certificate	Achieved	Infrastructure
Energy efficiency and demand site management	% installation of energy efficient management system	Opex	Opex	4 991 011.00	New	100% completion of installation of energy efficient management system	100%	None	None	Completion certificate	Achieved	Infrastructure
Indigents	% of indigents households with access to free basic electricity services by	Opex	Opex	Opex	19% (1500)	2.5% (1500)	20.99%	None	None	Indigent register and Eskom beneficiary list	Achieved	Budget and treasury

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	30 Jun 2019 (GKPI)											
Transversal programmees	Number of transversal programmes implemented in term of mainstreaming with respect to HIV/AIDS, Gender, Disabled, Woman and Children Rights by the 30 June 2019	Opex	Opex	opex	10	4	8	Implementation of special programmes in partnership with sector department	None	Programme and attendance register	Achieved	Executive support
Waste management	% of households with access to a minimum level of basic waste removal by 30 June 2019 (once)	Opex	Opex	Opex	9%	9% (5985) from billing report over the 66330 from the IDP of the total household)	8% (5457) from billing report over the 66330 from the IDP of the total household)	The target was inclusive of billing of other institutions	To target to be calculated on households only	Service reconciliation report	Not achieved	Community services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	per week) (GKPI)											
Education / libraries	Number of initiatives held to promote library facilities by 30 June 2019	n/a	n/a	n/a	4	4	4 initiatives held to promote library facilities by 30 June 2019	None	None	Attendance register and report	Achieved	Community services
Environmental management	Number of waste minimisation projects initiated by 30 June 2019 (environmental awareness programmes )	Opex	Opex	Opex	4	4	4 Environmental awareness programmes conducted	None	None	Attendance register and report	Achieved	Community services

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Disaster management	Number of disaster awareness campaigns conducted by 30 June 2019	Opex	Opex	Opex	4	4	4 Disaster awareness campaigns conducted	None	None	Attendance register and report	Achieved	Community services

#### KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

**Strategic Objectives:** To provide for basic services delivery and sustainable infrastructural development

#### CAPITAL PROJECTS

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
25	Electrification of households at Makaepa village	% electrification of households in Makaepa (279)	2 869 565	2 869 565	2 869 565	100%	100% electrification of households in Makaepa (279)	100%	None	None	Completion certificate	Achieved	Infrastructure
9	Reticulation of stands with electrical infrastructure at New Town (Thambo village)	Number of stands reticulated with electrical infrastructure by June 2019	2 912 000	2 912 000	2 906 125	100%	283 stands reticulated with electrical infrastructure by June 2019	283	None	None	Completion certificate	Achieved	Infrastructure
14	Reticulation of stands with electrical infrastructure	Number of stands reticulated with electrical	2 912 000	2 912 000	2 908 329	90%	221 stands reticulated with	221	None	None	Completion certificate	Achieved	Infrastructure

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	at Masakaneng	infrastructure by June 2019					electrical infrastructure by June 2019						
13	Installation of electrical meters in Groblersdal	% installation of bulk, prepaid meters and vending system	1 304 384	0	0	New	100% completion of installation of bulk prepaid meters and vending system by June 2019	0%	Contractor not yet appointed due to non-responsiveness of tender bids	Adjustment of specification vending system from pre-paid meters. Re-advertise	None	Not achieved	Infrastructure
13	Upgrading of Groblersdal substation	Initiation of Groblersdal substation upgrade (zero weighted)	869 565	0	0	New	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)
20,18,10,25	Monsterlus to makgopheng road, kgoshi Mathebe and	% construction of Monsterlus to Makgopheng road, kgoshi	7 826 087	7 826 087	7 820 631	new	100% construction of Monsterlus to makgopheng road,	100%	None	None	Completion certificate	Achieved	Infrastructure

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	kgoshi Matsepe	Mathebe and kgoshi Matsepe					kgoshi Mathebe and kgoshi Matsepe						
21	Kgaphamadi road	% construction of Kgaphamadi road	15 601 739	17 340 874	17 326 798	74%	100% construction of Kgaphamadi road by 30 June 2019	71% contractor is currently busy with Stormwater drains and earthworks	Progress is moving on a slow pace	The project is multi year and to be completed in 2019/2020 fy	Progress report	Not achieved	Infrastructure
13	Groblersdal roads and streets	% construction of Groblersdal roads and streets	1 739 130	3 843 483	3 843 483	100%	100% maintenance of Groblersdal roads and streets by 30 June 2019	100%	None	None	Completion certificate	Achieved	Infrastructure
14	Naganeng construction of bus route	% construction of Naganeng bus route	8 817 000	5 500 391	5 500 391	95%	100% construction of Naganeng bus route by	100%	None	None	Completion certificate	Achieved	Infrastructure

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
							30 March 2019						
7	Nyakoroane road construction	% construction of Nyakoroane road	1 304 348	1 304 348	1 298 900	new	100% construction of Nyakoroane road by 30 June 2019	100%	None	None	Completion certificate	Achieved	Infrastructure
5	Mpheleng road construction	% construction of Mpheleng road	8 478 261	8 478 261	8 476 254	new	100% construction of Mpheleng road by 30 June 2019	100%	None	None	Completion certificate	Achieved	Infrastructure
31	Motetema internal streets	% development of designs for Motetema internal street	3 478 261	0	0	0%	100% designs of Motetema internal streets by 30 June 2017	0% tender advertised and closed	Re-advert due to non-responsiveness of bidders	To accelerate procurement of service provider	Detailed design report	Not achieved	Infrastructure
29	Ramogwera ne to Nkadimeng road and storm water	% construction of Ramogwera ne to Nkadimeng road and storm water	1 500 000	1 500 000	1 497 760	0%	100% construction of Ramogwera ne to Nkadimeng road and storm water	100%	None	None	Completion certificate	Achieved	Infrastructure

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
							by 30 June 2019						
30	Laersdrift road	% construction of Laersdrift road	6 087 000	15 059 225	13 077 753	New	100% construction of Laersdrift road by 30 June 2019	79,3% contractor is busy with kerbs, prefabricated and Stormwater culverts	Application for connection on the intersection was submitted to SANRAL on the 12 June awaiting approval	Contractor to proceed with excavation and apply for extension of time to catch up with work	Progress report	Not achieved	Infrastructure
13	Development of workshop offices	% development of workshop offices	4 447 165	4 447 165	4 447 165	0%	100% development of workshop offices by 30 June 2019	65%	Target was overstated due to poor planning	Do proper planning in future	Progress report	Not Achieved	Infrastructure
13	Mobile offices	% construction of mobile offices (zero weighted)	500 000	0	0	New	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated)	Zero weighted (funds relocated )	Zero weighted (funds relocated )	Zero weighted (funds relocated )

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
		funds relocated)											
n/a	Furniture and office equipment	% expenditure on furniture and office equipment	400 000	400 000	279 060.40	100%	100% expenditure on furniture and office equipment	70% (279 060.40/400 000.00) expenditure and office equipment	Tender non-responsiveness	Consideration in the next financial year	Expenditure report Purchase order Delivery note	Not achieved	Corporate services
n/a	Computer equipment	% expenditure on computer equipment	500 000	1 000 000	594 063.53	100%	100% expenditure on computer equipment	59% (594 063.53/1 000 000) expenditure on computer equipment	Anticipate posts were not filled hence additional computers were not procured	Expenditure anticipated to occur as an when vacant posts are filled Service providers contract terminated	Expenditure report Purchase order Delivery note	Not achieved	Corporate services
n/a	Machinery and equipment	% expenditure on	500 000	400 000	322 648	100%	100% expenditure on	81% (322 648/400)	Expenditure indicator	Saving i.e met	Expenditure report	Not achieved	Corporate services

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
		machinery and equipment					machinery and equipment	000) expenditure on machinery and equipment		demands with less	Purchase order Delivery note		
n/a	Air conditioners	% expenditure on supply and installation of air conditioners	500 000	400 000	297 000	100%	100% expenditure on supply and installation of air conditioners	74% (297 000/400 000) expenditure on supply and installation of air conditioner	Expenditure indicator	Savings i.e central air conditioner's supply and installation in the BTO	Expenditure report Purchase order Delivery note	Not achieved	Corporate services
13	Groblersdal landfill site	Upgrading of landfill site	3 000 000	1 600 000	0	New	% construction of the cell	50% designs completed	Budget was adjusted downward during budget adjustment	The projects is fully funded for the next financial year 2019/2020	None	Not achieved	Community services

Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
9	Fencing of Elandsdoorn cemeteries	% fencing of Elandsdoorn cemeteries	521 739	521 739	0	New	100% fencing of Elandsdoorn cemeteries by June 2019	0% fencing of Elandsdoorn cemeteries by June 2019	MBD9 form stated wrong terms of reference and resulted in the tender to be withdrawn	None No provision is made on 2019/2020 budget	The MBD9 form of the tender advertised	Not achieved	Community services

#### ROLLED OVER PROJECTS

30	Laersdrift road	% construction of Laersdrift road	380 806	0	380 806	New	100% construction of Laersdrift road by 30 June 2019	79,3% contractor is busy with kerbs, prefabricated and Stormwater culverts	Application of connection of the intersection was submitted to SANRAL on the 12	Contractor to proceed with excavation and apply for extension of time to catch up with work	Progress report	Not achieved	Infrastructure
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Ward no	Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
									June awaiting approval				
25	Electrification of households at Makaepa village	% electrification of households in Makaepa (279)	2 869 565	0	2 869 565	100%	100% households reticulated and energised by June 2019 (279)	100%	None	None	Completion certificate	Achieved	Infrastructure
14	Reticulation of stands with electrical infrastructure at Masakaneng	Number of stands reticulated with electrical infrastructure by June 2019	2 912 635	0	2 908 329	100%	221 stands reticulated with electrical infrastructure by June 2019	221	None	None	Completion certificate	Achieved	Infrastructure

## KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

**Strategic objectives: To enhance good governance and public participation**

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
Good governance and oversight	Submission of final audited consolidated annual report to council on or before end of January 2019	n/a	n/a	n/a	1	1	1	None	None	Council resolution	Achieved	Municipal manager
	Submission of annual report oversight report to council by March 2019	n/a	n/a	n/a	new	1	1	None	None	Council resolution	Achieved	Municipal manager
	2019/2020 IDP review process plan approved by 30 <sup>th</sup> June 2019	n/a	n/a	n/a	new	1	1	None	None	Council resolution	Achieved	Municipal manager
IDP development	Final IDP tabled and approved by	n/a	n/a	n/a	1	1	1	None	None	Council resolution	Achieved	Municipal manager

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	council by 31 May 2019											
Audit	Obtain an unqualified auditor general opinion for the 2017/18 financial year	n/a	n/a	n/a	Qualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	None	None	AGSA audit report	Achieved	Municipal manager
Audit	% of auditor general matters resolved as per the approved audit action plan by 30 June 2019 (Total organisation)	n/a	n/a	n/a	82%	100%	85%	The remaining findings can not be addressed retrospectively and others are work in progress	To address the findings going forward to avoid re-occurrence of the findings in future	Audit action plan	Not achieved	Municipal manager
Audit	% internal audit findings resolved per quarter as per the audit plan (total organisation)	n/a	n/a	n/a	new	90%	77%	The remainder findings are work in progress	To address the findings going forward to avoid re-occurrence	Quarterly IA status report	Not Achieved	Municipal manager

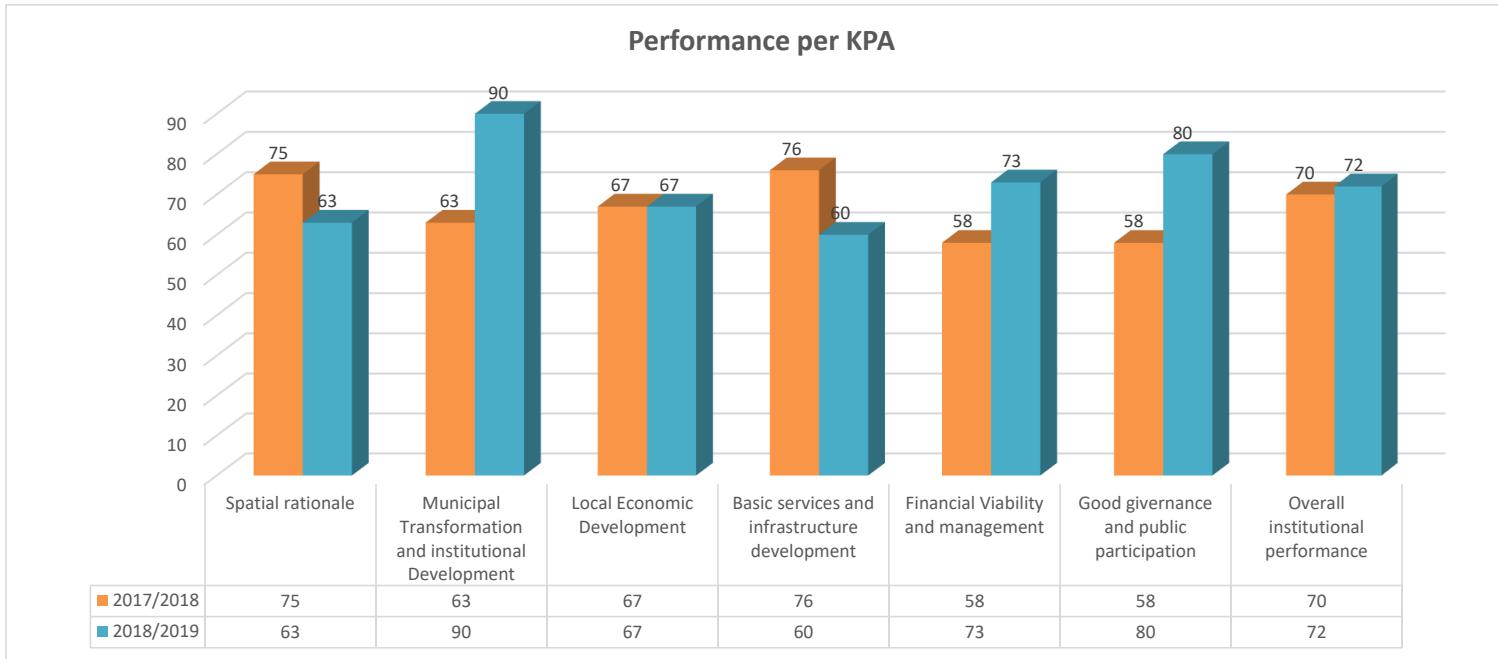
Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
									e of the future findings in future			
Risk management	Number of risk management reports submitted to risk management committee per quarter	n/a	n/a	n/a	new	4	4	None	None	Quarterly risk manage metn report	Achieved	Municipal manager
Risk management	Number of quarterly risk management committee meetings convened by June 2019	n/a	n/a	n/a	new	4	3	Lack of quorum	An independent chairperson has been appointed	Attendance register and minutes	Not achieved	Municipal manager
Risk management	% execution of identified risk management plan within prescribed timeframes per	n/a	n/a	n/a	95%	100%	100%	None	None	Quarterly risk assessment reports	Achieved	Municipal manager

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	quarter (total organisation)											
Community participation	Number of public participation reports submitted to council	n/a	n/a	n/a	3	4	4	None	None	Council resolution	Achieved	Executive support
MPAC	Number of MPAC quarterly reports submitted to council	n/a	n/a	n/a	4	4	7	There were unplanned MPAC investigations reports submitted to council	None	Council resolution	Achieved	Executive support
Mayoral programme	Number of mayoral outreach projects initiated by 30 june 2019	Opex	Opex	Opex	3	4	4	None	None	Report and attendance register	Achieved	Executive support
Ward committee	Number of ward committee reports submitted to	n/a	n/a	n/a	New	4	4	None	None	Council resolution	Achieved	Executive support

Programme	Key performance indicator	Budget Source	Adjusted budget	Expenditure	Audited Baseline 2017/18	Annual target	progress to date	challenges /variances	remedial action	Evidence	Achieved / Not achieved	Responsibility
	council quarterly											
	Number of ward committee conference held	Opex	Opex	Opex	New	2	2	None	None	Report and attendance register	Achieved	Executive support

Number	Key Performance Area	Total number of KPIs		Number of KPI's achieved		Number of KPI's not achieved		Zero weighted		Performance percentage per KPA	
		2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
1	Spatial Rationale	8	8	6	5	2	3	0		75%	63%
2	Municipal transformation and institutional development	8	20	5	18	3	2	0		63%	90%
3	Local economic development	6	6	4	4	2	2	0		67%	67%
4	Basic service delivery and Infrastructure development	49	35	35	21	11	14	3	2	76%	60%
5	Financial viability and management	13	11	7	8	5	3	1		58%	73%
6	Good governance and public participation	12	15	7	12	5	3	0		58%	80%
	<b>TOTAL</b>	<b>96</b>	<b>95</b>	<b>64</b>	<b>68</b>	<b>28</b>	<b>27</b>	<b>4</b>	<b>2</b>	<b>70%</b>	<b>72%</b>

Zero weighted KPI are excluded from total KPI.



## **CHAPTER 4**

### **ORGANISATIONAL DEVELOPMENT PERFORMANCE**

## COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

### 3. OVERVIEW

#### 3.14. Employees totals, Turnover and Vacancies

Municipality advertise vacant posts in the national print media and on the municipal website and those who are interested they do apply for the advertised posts. Municipality follows its approved recruitment policy in filling of the vacant positions.

**Table 1: staff turnover**

Description	Total
Dismissal/ Terminations	1
Contract ended	0
Retention	0
Death	0
Retirements	3
Ill health	0
Resignation	5
Total number of vacancies	43
Total number of employees	360
Total posts on the organogram	403

**Table 2: Turnover rate**

Details	Turn-over Rate		
	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2016/2017	364	21	5.8%
2018/2019	361	22	6%
2018/2019	339	7	2%

\* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year

**Table 3: Organisational structures information**

Description	2018/2019			
	Approved Posts	Employees	Vacancies	Variance
	No.	No.	No.	%
Infrastructure services	110	88	22	20%
Municipal manager' office	22	14	8	36%
Development planning and Local Economic development	17	13	4	24%
Community services	141	110	31	22%
Budget and Treasury	59	49	10	17%
Executive Support	36	26	10	28%
Corporate services	44	41	3	7%
<b>Totals</b>				

**Table 3: Vacancy rate information**

Vacancy Rate 2018/2019			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
Municipal Manager	1	0	0
CFO	1	6 months	1
Executive Support	1	0	0
Development Planning	1	0	0
Community Services	1	0	0
Infrastructure	1	0	0
Corporate Services	1	0	0
<b>Other S57 Managers (Finance posts)</b>	<b>0</b>		
Chief Risk Management Officer(T15)	1	0	0
Manager Communication (T15)	1	0	0
Manager Hlogotlou Service Delivery Point (T15)	1	0	0
Manager Roossenekal Service Delivery Point(T15)	1	0	0
Manager Motetema Service Delivery Point (T15)	1	0	0
Electrical Engineer (T16)	1	0	0
Manager Electrical (T15)	1	3years	0
Manager PMU (T15)	1	0	0
Manager Road, Storm water & Maintenance (T15)	1	0	0
Manager legal (T15)	1	0	0

Vacancy Rate 2018/2019			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
Manager audit (T15)	1	0	0
Manager PMS (T15)	1	0	0
Manager IDP (T15)	1	0	0
Manager Human Resource (T15)	1	0	0
Manager Council Support (T15)	1	0	0
Manager Intergovernmental relations	1	0	0
Manager ICT (T15)	1	0	0
Manager Assets	1	0	0
Manager Supply chain	1	0	0
Manager Expenditure	1	0	0
Manager revenue	1	0	0
Manager budget	1	0	0
Manager administration	1	0	0
Manager LED	1	0	0
Manager Planning	1	0	0
Manager fleet	1	0	0
Deputy CFO	1	0	0
Manager Enviromental	1	0	0
Manager Public Safety	1	0	0
Manager Licensing	1	0	0

## **COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE**

### **3.15. POLICIES**

The municipality has developed policies as a guideline to all officials and are reviewed as when the need arises. For the year under review twenty 26 policies were reviewed.

**Table 4: Approved and reviewed policies**

No.	Policy name	Approved	Reviewed	Resolution number	Date approved
1.	Credit control policy		x	BT18/19-66	28/05/2019
2.	Investment policy		x	BT18/19-66	28/05/2019
3.	Budget policy		x	BT18/19-66	28/05/2019
4.	Borrowing policy		x	BT18/19-66	28/05/2019
5.	Expenditure management policy		x	BT18/19-66	28/05/2019
6.	Assets management policy		x	BT18/19-66	28/05/2019
7.	Supply chain management policy		x	BT18/19-66	28/05/2019
8.	Indigent policy		x	BT18/19-66	28/05/2019
9.	Virements policy		x	BT18/19-66	28/05/2019
10.	Funding and reserves policy		x	BT18/19-66	28/05/2019
11.	Property rates policy		x	BT18/19-66	28/05/2019
12.	Tariff policy		x	BT18/19-66	28/05/2019
13.	Roads and storm water policy		x	I18/19-34	11/10/18
14.	Patch management policy		x	C18/19-20	28/08/2018
15.	Physical server room access policy		x	C18/19-21	28/08/2018
16.	Anti-virus policy		x	C18/19-22	28/08/2018
17.	Fire wall policy		x	C18/19-23	28/08/2018
18.	User Access Control Policy		x	C18/19-68	26/06/2018
19.	Health and safety policy		x	C17/18-85	26/06/2018
20.	Employment Equity Policy and Plan		x	C17/18-90	26/06/2018
21.	Records Management Policy		x	C18/19-55	25/02/2019
22.	Records Management Plan		x	C18/19-56	25/02/2019
23.	Cellphone and Mobile Data Policy		x	C18/19-18	28/08/2018
24.	Overtime Policy		x	C18/19-10	28/08/2018
25.	Leave Policy		x	C18/19-11	28/08/2018
26.	Subsistance and Travel Allowance Policy		x	C18/19-34	27/03/2019

### 3.16. INJURIES, SICKNESS AND SUSPENSIONS

**Table 6: Cost of injuries on duty**

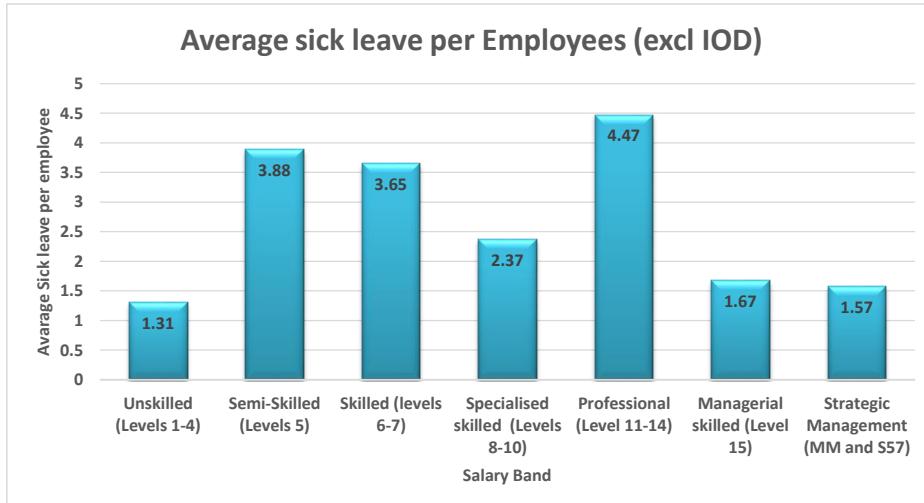
<b>Number and Cost of Injuries on Duty</b>					
<b>Type of injury</b>	<b>Injury Leave Taken</b>	<b>Employees using injury leave</b>	<b>Average injury leave taken per employee</b>	<b>Average Injury Leave per employee</b>	<b>Total Estimated Cost</b>
	<b>Days</b>	<b>No.</b>	<b>%</b>	<b>Days</b>	<b>R'000</b>
Required basic medical attention only	83	04	25%	20,75	R96 792, 47
Temporary total disablement	0	0	0%	0	0
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0

**Table 7: Average sick leave per employees**

2018/2019 - Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	
Unskilled (Levels 1-4)	179	1,7%	22	107	80	
Semi-Skilled (Levels 5)	261	6,7%	15	39	80	
Skilled (levels 6-7)	155	1,9%	20	78	80	
Specialised skilled (Levels 8-10)	208	3,5%	31	60	80	
Professional (Level 11-14)	225	5,6%	25	40	80	
Managerial skilled (Level 15)	119	4,9%	13	24	80	
Strategic Management (MM and S57)	16	2,3%	2	07	80	
<b>Total</b>	<b>1163</b>	<b>26,6%</b>	<b>125</b>	<b>355</b>	<b>560</b>	

\* - Number of employees in post at the beginning of the year

\*Average calculated by taking sick leave in column 2 divided by total employees in column 5



**Table 7: Number and period of suspension**

Number and period of suspension				
Position		Nature of Alleged Misconduct	Date of suspension	Disciplinary action taken or Status of Case and Reasons why not Finalized
Assistant Sup Traffic		1.Misuse of municipal fire arm. 2.Unauthorised possession of municipal property 3.violation of Fire Arm Control Act 60 of 2000	01/12/2017	Case was finalised and employee found guilty and dismissed. The employee appealed against the ruling of the commissioner

**Table 8: Cases on Financial Misconduct information**

Disciplinary Action Taken on Cases of Financial Misconduct			
Position		Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken
None			

### 3.17. PERFORMANCE MANAGEMENT

In EMLM, performance management is limited to Section 56 Managers. The municipality has conducted the 2017/2018 annual performance assessments for 04 senior managers who signed the performance agreements and no senior manager qualified for performance bonuses. The 2018/2019 mid-year assessment was also conducted as a monitoring process to detect poor performance at an early stage. Through the session, senior managers are offered an opportunity to state their challenges and be assisted by panel members based on those challenges in order to meet their set targets by the end of the financial year. During the year under review the following officials signed their performance agreements:

**Table 9: Performance agreements**

Signing of performance agreement		
Officials	signed	not signed
Municipal Manager	✓	
Senior manager: Executive Support	✓	
Chief financial officer	✓	
Senior manager : community services	✓	
Senior manager: Infrastructure	✓	
Senior manager : development planning	✓	
Senior manager : Corporate services	✓	

### COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

#### 3.18. Skills development and training

Municipality has a work skills plan (WSP) that is utilised for personnel capacity building. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP which serves as a guide as to how many officials should undergo training in the next financial year. The plan is also used to determine the expenditure for training. For the year under review, 83 (45 males and 38 females) employees received different training. The WSP and annual training report were submitted to LGSETA.

Municipality budgeted R 1 503 900 that was adjusted downwards during adjustment budget to R1 207 103 for personnel training. The total amount of R1 364 574 was spent on training by end of the financial year. The variance for the year was R157 471. Municipality did receive the mandatory grants in the form of rebates from LGSETA for the funding of HR students workbased exposure training for the year under review.

**Table 10: Training for officials**

Programme	No. Of Officials	Males	Female	Status
Municipal Governance	5	1	4	Completed
Monitoring and Evaluations	3	2	2	Completed
Advanced driving	1	1	0	Completed
Records management	35	18	17	Completed
Contract management	3	1	2	Completed
Road maintenance	6	6	0	Completed

Programme	No. Of Officials	Males	Female	Status
Customer care services	3	3	0	Completed
Municipal finance management program	9	4	5	Completed
Sundry debtors and sundry registry	3	1	2	Completed
Vip sage (HR module)	3	2	1	Completed
Risk management	8	3	5	Completed
Audit and ethics	1	0	1	Completed
Supply chain management	2	2	0	Completed
Environmental management	1	1	0	Completed
<b>Total</b>	<b>83</b>	<b>45</b>	<b>38</b>	

**Table 11: training for councillors**

Programme	No. Of Councillors	Males	Female	Status
Municipal Executive Financial Management	3	1	2	In progress
Executive Leadership Municipal Development	6	6	0	In progress
Public Administration and Management	3	2	1	In progress
<b>TOTAL</b>	<b>12</b>	<b>9</b>	<b>3</b>	

**Table 12: Compliance with prescribed minimum competency levels**

Prescribed minimum competency levels						
Description	A Total number of officials employed by municipality (regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (regulation 14(4)(b)and (d))	Consolidated: total number of officials whose performance agreements comply with regulation 16 (regulation 14(4)(f))	Consolidated: total number of officials that meet prescribed competency levels (regulation 14(4)(e))
<b>Financial officials</b>						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	4	0	4	4	4	4
Any other financial officials	45	0	38	0	0	27
Finance managers	5	0	5	0	0	5
Supply chain management officials	4	0	4	0	0	4
Heads of supply chain unit	1	0	1	0	0	1
Supply chain management senior managers	0	0	0	0	0	0

\*

## **COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE**

### **3.19. EMPLOYEE EXPENDITURE**

The municipality manages its workforce expenditure very well, as we have policies in place such as overtime policies, and travelling allowance policies, that are complied with before any expenditure can be incurred. EMLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for.

### **3.20. DISCLOSURE OF FINANCIAL INTEREST**

Disclosure forms are given to all officials and councillors at the beginning of the financial year for completion

## **CHAPTER 5**

## **FINANCIAL INFORMATION**

## CHAPTER 5: FINANCIAL PERFORMANCE

### INTRODUCTION

The Elias Motsoaledi Local Municipality strives to ensure an effective and efficient administration, and has provided the following components for discussion within this chapter:

- **Component A:** Statement of financial performance
- **Component B:** Spending against capital budget
- **Component C:** Other financial matters

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

#### Introduction to Financial Statements

Elias Motsoaledi Local Municipality handed over the 2017/18 annual financial statements to the Auditor General (Limpopo) on 31<sup>st</sup> August 2018 as per the Municipal Finance Management Act. The aforesaid components of the financial statements are discussed in detail below:

#### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	2017/18		Budget Year 2018/19		Varinace	
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Original Budget	Adjusted Budget
<b>Revenue By Source</b>						
Property rates	25 978	36 650	33 010	32 756	11%	1%
Service charges - electricity revenue	67 575	89 297	81 798	75 108	16%	8%
Service charges - water revenue	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-
Service charges - refuse revenue	7 299	12 249	8 127	7 854	36%	3%
Service charges - other	-	-	-	-	-	-
Rental of facilities and equipment	944	1 220	1 000	1 644	-35%	-64%
Interest earned - external investments	2 928	3 000	2 800	2 966	1%	-6%
Interest earned - outstanding debtors	9 693	8 161	6 692	8 350	-2%	-25%
Dividends received	-	-	-	-	-	-
Fines, penalties and forfeits	67 325	73 218	70 209	56 635	23%	19%
Licences and permits	4 956	4 950	5 200	4 707	5%	9%
Agency services	-	-	-	-	-	-
Transfers and subsidies	226 163	245 278	245 278	245 283	0%	0%
Other revenue	11 118	2 761	1 582	1 721	38%	-9%
Gains on disposal of PPE	-	-	-	-	-	-
<b>Total Revenue (excl capital transfers)</b>	<b>423 980</b>	<b>476 783</b>	<b>455 697</b>	<b>437 024</b>	<b>8%</b>	<b>4%</b>
<b>Expenditure By Type</b>						
Employee related costs	127 202	134 149	130 473	146 968	-10%	-12.64%
Remuneration of councillors	22 874	25 070	24 291	23 662	6%	3%
Debt impairment	74 839	53 421	55 000	47 752	11%	13%
Depreciation & asset impairment	53 654	51 181	51 181	54 178	-6%	-6%
Finance charges	281	2 500	2 900	2 797	-12%	4%
Bulk purchases	68 602	80 000	70 000	73 727	7.84%	-5.32%
Other materials	9 806	17 093	8 829	12 552	27%	-42.18%
Contracted services	67 951	60 020	59 841	69 384	-16%	-16%
Transfers and subsidies	841	4 404	3 580	2 483	44%	31%
Other expenditure	93 908	43 468	43 074	43 614	0%	-1%
Loss on disposal of PPE	1 470	-	-	-	-	-
<b>Total Expenditure</b>	<b>521 428</b>	<b>471 306</b>	<b>449 169</b>	<b>477 117</b>	<b>-1%</b>	<b>-6%</b>
Surplus/(Deficit)	(97 448)	5 477	6 528	(40 092)		
Transfers and subsidies - capital (monetary allocation)	97 901	63 830	94 050	70 766		
Surplus/(Deficit) after capital transfers & contribution	453	69 307	100 578	30 674		
Taxation	-	-	-	-		
Surplus/(Deficit) after taxation	453	69 307	100 578	30 674		
Surplus/(Deficit) attributable to municipality	453	69 307	100 578	30 674		
Surplus/ (Deficit) for the year	453	69 307	100 578	30 674		

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	6 194	2 457	8 691	12 339	8 691
Call investment deposits	–	15 582	15 582	11 838	15 582
Consumer debtors	24 953	40 483	40 483	28 840	40 483
Other debtors	30 866	58 923	58 924	47 417	58 924
Current portion of long-term receivables	–	–	–	–	–
Inventory	3 328	3 400	3 400	6 245	3 400
<b>Total current assets</b>	<b>65 342</b>	<b>120 845</b>	<b>127 079</b>	<b>106 679</b>	<b>127 079</b>
<b>Non current assets</b>					
Long-term receivables				–	–
Investments				–	–
Investment property	53 739	53 728	53 728	58 240	53 728
Investments in Associate		–		–	
Property, plant and equipment	952 317	1 016 632	1 016 632	999 144	1 016 632
Agricultural	–	–	–	–	–
Biological	–	–	–	–	–
Intangible	85	291	291	39	291
Other non-current assets	12 706	12 841	12 841	13 539	12 841
<b>Total non current assets</b>	<b>1 018 848</b>	<b>1 083 492</b>	<b>1 083 492</b>	<b>1 070 962</b>	<b>1 083 492</b>
<b>TOTAL ASSETS</b>	<b>1 084 189</b>	<b>1 204 337</b>	<b>1 210 572</b>	<b>1 177 641</b>	<b>1 210 572</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					
Borrowing	–	10 000	6 811	9 624	6 811
Consumer deposits	5 249	5 260	5 260	5 383	5 260
Trade and other payables	81 839	52 466	52 466	113 764	52 466
Provisions	4 251	5 412	2 412	3 762	2 412
<b>Total current liabilities</b>	<b>91 339</b>	<b>73 138</b>	<b>66 949</b>	<b>132 534</b>	<b>66 949</b>
<b>Non current liabilities</b>					
Borrowing	–	30 677	23 240	13 469	23 240
Provisions	93 955	85 952	85 952	94 152	85 952
<b>Total non current liabilities</b>	<b>93 955</b>	<b>116 629</b>	<b>109 192</b>	<b>107 621</b>	<b>109 192</b>
<b>TOTAL LIABILITIES</b>	<b>185 294</b>	<b>189 767</b>	<b>176 141</b>	<b>240 155</b>	<b>176 141</b>
<b>NET ASSETS</b>	<b>898 896</b>	<b>1 014 570</b>	<b>1 034 431</b>	<b>937 486</b>	<b>1 034 431</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	898 896	1 014 570	1 034 431	937 486	1 034 431
Reserves	–	–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>898 896</b>	<b>1 014 570</b>	<b>1 034 431</b>	<b>937 486</b>	<b>1 034 431</b>

## COMMENT ON FINANCIAL PERFORMANCE

### **Revenue**

#### **Property rates**

The original budget for property rates for 2018/19 financial year was R36, 650 million which was adjusted downwards to R33, 010 million and the actual revenue billed is R32, 756 million. This gave rise to an unfavourable variance of 11% and 1% respective on original budget and adjusted budget.

#### **Service charges**

This is made up of service charges for electricity and refuse removal and the original budget thereof was R101, 546 million that was adjusted downwards to R89, 925 million and the actual revenue generated was R82, 962 million that reflects a 81,70% and 92,26% unfavourable variance respectively on both original budget and adjusted budget.

#### **Investment revenue**

The investment revenue is mainly interest earned on the external investments that the municipality has made throughout the financial year. Interest on investments budget was adjusted downwards to R2, 800 due to under performance in the first few months of the financial year, and this resulted in the actual interest earned exceeding the adjusted budget by 5,93%. The performance of this revenue line item reflects an improved investment practice of the municipality.

#### **Transfer recognized - operational**

This is revenue realized from both conditional and unconditional operating grants and subsidies including equitable share. The results show full spending of both conditional and unconditional grants and with regards to conditional grants, all grants were spent in line with the conditions of the respective grants.

### **Other Income**

The over performance of other revenue is attributed to revenue from clearance certificates and advertisement boards. This revenue is hard to accurately project due to its dependency on the rate of consumers who turn up for those revenue related activities, and hence the inconsistencies between the budget and actuals thereof. The adjusted budget was slightly close to the actual revenue received.

### **Expenditure**

#### **Employee related cost**

The over performance of employee related cost is as a result of classification of remuneration of ward committee members that according to GRAP is part of employee related cost and in terms of mSCOA is part of general expenses. In terms of the financial statements presentation, the line item is classified as employee related cost yet the budget is sitting under general expenses. In addition, the over performance has partially resulted from actuarial gains and losses as well as other actuary related expenses that were not incorporated in the budget particularly on original budget. There is overspending of 12,64% based on the adjusted budget.

#### **Remuneration of Councillors**

Remuneration of Councillors relates to salaries of Public Office Bearers and the original budget thereof was R25, 070 million that was adjusted downwards to R24, 291 million and the actual expenditure incurred amounted to R23, 662 million. The increase from 2017/18 to 2018/19 financial year expenditure is as a result of implementation of upper limits.

#### **Depreciation and asset impairment**

Provision was made in the budget for capital asset depreciation and impairment and the budget thereof was R51, 181 million and it was reduced from the 2017/18 actuals, due to the disposals planned to be incurred in 2018/19, however number of assets that were not included in the asset register were included; some assets were incorrectly valued and donated assets no accounted for and this resulted in depreciation and assets impairment increasing from R51, 181 million to R54, 178 million and also had a negative impact on unauthorised expenditure.

#### **Materials and bulk purchases**

This line item was mainly for purchase of electricity. The bulk purchase expenditure was within the approved budget thereof and this gave rise to a favourable variance of 7, 84% and the adjustment budget was slightly unfavorable with the variance of 5, 32%. Other materials mainly relate to materials and supplies relating to both repairs and maintenance and cleaning materials. The actual expenditure thereof is higher than the adjustment budget by variance of 42.18%.

#### **Transfers and grants – expenditure**

Transfers and grants refer to subsidies made to indigent and pensioners consumers, external bursaries awarded, and medical aid contributions made to pensioners who are former employees of the municipality. The subsidies were done in the form of special rebates on property rates and free basic electricity.

The budget provision still appears to be too little in light of Equitable share allocation that amounted to R237, 506 million since this is the source of funding thereof. The number of registered indigents is still little and hence the underspending of R1, 097 million of the budget allocated for this subsidy.

#### **Finance charges**

Finance charges is mainly interest on finance lease and this was informed by the amortisation schedule thereof. The original budget thereof was R2, 500 million the budget was later revised and led to upward adjustment to R2, 900 million. The actual expenditure incurred was R2.797.

#### **Other expenditure**

Other expenditure line item includes items such as debt impairment; contracted services; lease rentals on operating lease; loss on disposal of property, plant and equipment as well as general expenses. The actual expenditure is higher as compared to 2017/18 financial year actuals and this is attributed to debt impairment of traffic fines; contracted services and leases.

#### **5.2 GRANTS**

Description	2017/18 Audited Outcome	Budget Year 2018/19					
		Original Budget	Adjusted Budget	YearTD actual	YearTD budget	Budget original	Adjustme nt Budget
R thousands						%	%
EXPENDITURE							
Operating expenditure of Transfers and Grants							
National Government:	226 163 000	240 283 153	240 283 157	240 283 153	240 283 153	100%	100%
Local Government Equitable Share	223 019 000	237 511 153	237 511 153	237 511 153	237 511 153	100%	100%
Finance Management	1 700 000	1 770 000	1 770 004	1 770 000	1 770 000	100%	100%
EPWP Incentive	1 444 000	1 002 000	1 002 000	1 002 000	1 002 000	100%	100%
Total operating expenditure of Transfers and Grants:	226 163 000	240 283 153	240 283 157	240 283 153	240 283 153	100%	100%

#### **COMMENT ON OPERATING TRANSFERS AND GRANTS:**

All grants gazetted for 2017/18 financial year were received and cognizance should be taken that the above table does not include capital grants. The total amount received on operational grants amounted to R240, 283 during

the 2018/19 financial year. All grants were received from national sphere of government and nothing was gazetted to be received from the provincial government and the district municipality and/or any other source.

**COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES:**

No grants were received from other sources.

### 5.3 ASSET MANAGEMENT

Description	Budget Year 2018/19						
	2017/18	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget original	Adjustment Budget
R thousands						%	%
Repairs and Maintenance	12 304 962	17 093 456	8 908 782	15 839 277	93%	178%	
Depreciation and asset impairment	53 448 631	51 180 556	51 180 598	54 138 249	106%	106%	
Renewal of existing assets	42 569 456	34 071 304	41 465 765	35 017 880	103%	84%	
Asset register summary (WDV)	951 854 000	1 070 651 027	1 016 922 723	999 314 468	93%	98%	

**COMMENT ON ASSET MANAGEMENT:**

The actual asset register value for 2017/18 is R951, 854 million and the original budget thereof was R1, 070 billion that was adjusted down to R1, 016 billion during the adjustments budget. Taking the actual book value as at end of 2018/19 financial year of R999, 314 million, and the asset register value had increased and this attributed to high spending on capital budget and assets that were not included in the register and incorrectly valued in the previous financial years that are now recorded in the register.

The additional assets that were recognized resulted in increase on depreciation and asset impairment of R2, 957 million. Cognizance should be taken that this from budget point of view is a non-cash item (i.e. the movement did not have cash flow implication) and as a result it is pure financial accounting transaction.

In addition, capital expenditure (renewal of existing assets) amounting to R35, 017 million and repairs and maintenance amounting to R15,837 million was incurred during the 2018/19 financial year.

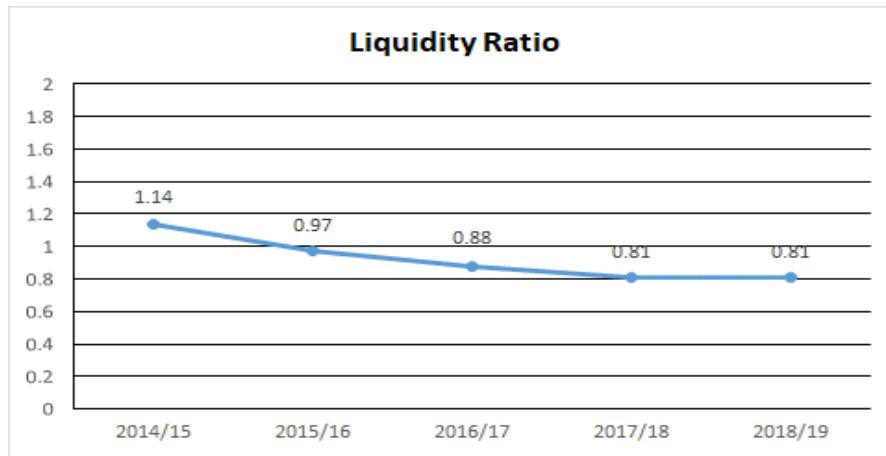
Description	Budget Year 2018/19						
	2017/18	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Budget original	Adjustment Budget
R thousands						%	%
Repairs and Maintenance	12 304 962	17 093 456	8 908 782	15 839 277	93%	178%	

**COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:**

The repairs and maintenance budget represent 92, 66% of the total original budget and 177, 79% of the adjusted budget and in terms of the actual expenditure, the spending represent 3, 32% of the total operating expenditure incurred for 2018/19 financial year. A total of R15, 839 million was spent, reflecting an underspending variance of 7% based on original budget and over-spending variance 77, 79% based on adjusted budget.

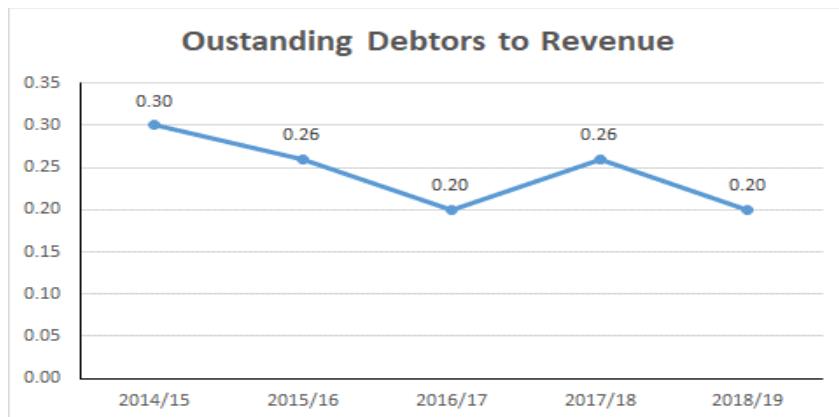
#### 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Graph 1: Liquidity ratio



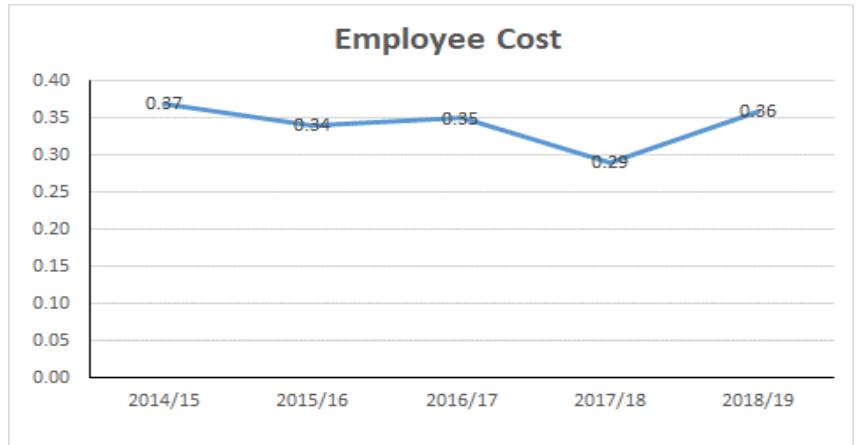
Liquidity Ratio – Measures the municipality's ability to pay its bills, and is calculated by dividing the monetary assets by the municipality's current liabilities. A higher ratio is better; however, the graph portrays a picture that shows a staggering liquidity ratio for 2018/19 financial year since the ratio is less than 1. This is attributed to high amount of invoices that were paid at year end using accruals.

Graph 2: Outstanding Debtors to revenue



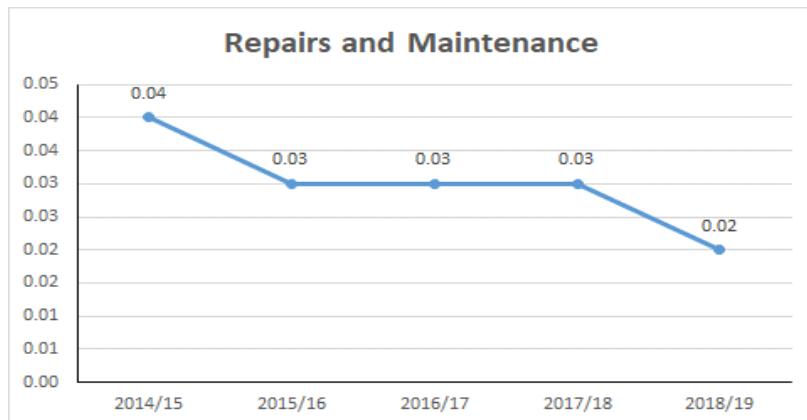
Outstanding Service Debtors to Revenue - Measures how much money is still owed by the community for electricity, waste removal and other services, compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors, by the total annual revenue thereof. A lower score is better. The graph shows that the municipality has a ratio of 0.20 outstanding debtors that has slightly decreased by 0.06 when compared to 2017/18 ratio.

**Graph 3: Employee cost**



Employee related cost ratio measures what portion of revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue

**Graph 4: Repairs and maintenance**



Repairs and Maintenance - This represent the proportion of operating expenditure spent, and is calculated by dividing the total repairs and maintenance by total revenue excluding capital revenue.

**COMMENT ON FINANCIAL RATIOS:**

The municipality is still facing a challenge of achieving 8% threshold of operating expenditure for repairs and maintenance. Liquidity ratio is negatively affected by invoiced that are paid accruals at year end since the magnitude thereof was too high in 2018/19 financial year as those invoices are treated as current liabilities. The municipality is in a process of implementing cost containment measures as documented in the National Treasury Instruction letter number 03 and this will result in improved liquidity ratio and in addition, it will do away with unnecessary expenditure.

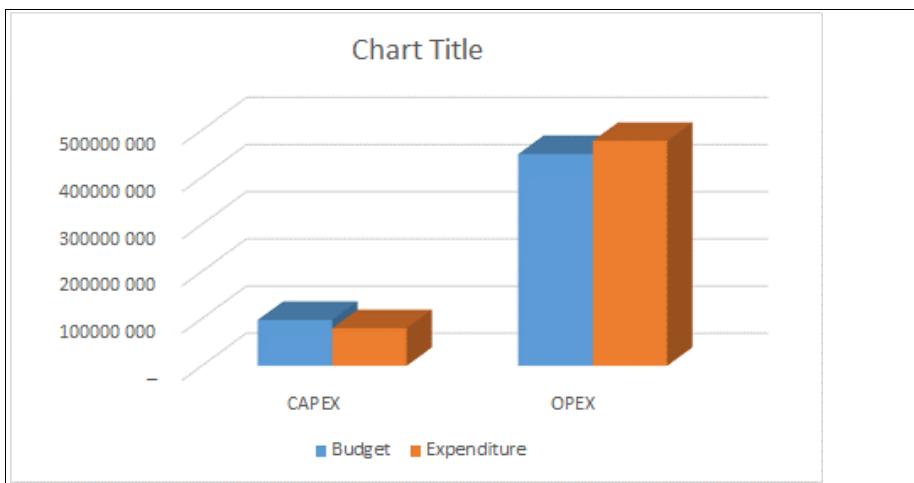
## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to projects and/or items whose outputs will result in assets that will have to be documented in the asset register. Capital expenditure is funded from grants and own revenue. Component B deals with capital spending, indicating where the funding comes from and whether the Municipality is able to spend the available funding as planned. In this component, it is important to indicate the different sources of funding as well as how these funds are spent.

### 5.5 CAPITAL EXPENDITURE

GRAPH 5: CAPITAL EXPENDITURE 2017/18



### 5.6 SOURCES OF FINANCE

Vote Description	Budget Year 2018/19				Variance	
	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Original Budget	Adjusted Budget
<b>Funded by:</b>						
National Government	83 864	55 504	81 841	61 536	-11%	25%
Provincial Government	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-
Transfers recognised - capital	83 864	55 504	81 841	61 536	-11%	25%
Public contributions & donations	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-
Internally generated funds	23 699	20 365	15 417	18 155	11%	-18%
<b>Total Capital Funding</b>	<b>107 563</b>	<b>75 869</b>	<b>97 258</b>	<b>79 690</b>	<b>-5%</b>	<b>18%</b>
<b>Capital Expenditure</b>						
Roads, pavement and bridges	84 672	55 854	75 023	63 909	-14%	15%
Electricity	12 946	10 868	13 487	8 647	20%	36%
Landfill site	-	3 000	1 600	1 234	59%	23%
Other Assets	-	278	278	620	-123%	-123%
Cemeteries/Crematoria	-	522	522	-	100%	100%
Computer Equipment	749	500	1 000	594	-19%	41%
Furniture and Office Equipment	362	400	400	183	54%	54%
Municipal Offices	-	4 447	4 947	4 503	-1%	9%
Sport and recreation	8 834	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>107 563</b>	<b>75 869</b>	<b>97 258</b>	<b>79 690</b>	<b>-5%</b>	<b>18%</b>
Roads, pavement and bridges	78.72%	73.62%	77.14%	80.20%		
Electricity	12.04%	14.32%	13.87%	10.85%		
Landfill site	0.00%	3.95%	1.65%	1.55%		
Other Assets	0.00%	0.37%	0.29%	0.78%		
Cemeteries/Crematoria	0.00%	0.69%	0.54%	0.00%		
Computer Equipment	0.70%	0.66%	1.03%	0.75%		
Furniture and Office Equipment	0.34%	0.53%	0.41%	0.23%		
Municipal Offices	0.00%	5.86%	5.09%	5.65%		
Sport and recreation	8.21%	0.00%	0.00%	0.00%		

#### COMMENT ON SOURCES OF FUNDING:

The original capital budget for 2018/19 financial year was R75, 869 million that was adjusted upward to R97, 258 million. The actual expenditure is R79, 690 million and this reflects an under-spending variance of 18,06% and this under spending was on grants funded and internally funded projects.

#### Funding of capital budget:

Original budget: R55, 504 million was funded by grants and R20, 365 million was funded internally

Adjusted budget: R81, 841 million was funded by grants and R15, 417 million was funded internally

Actual expenditure: R61, 536 million was funded by grants and R18, 155 million was funded internally

## 5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Capital Expenditure on Five Largest Projects\*

Name of Project	R'000			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment Variance (%)
A – kgaphamadi Bus Route	17,942	19,942	19,926		100%
B – Laersdrift Bus Road	7,000	16,515	15,039		91%
C – Kgoshi Mathebe, Matsepe and Makgopheng Ring Road	9,000		8,994		100%
D – Mpheleng Bus Route	9,750		9,748		100%
E - Naganeng Bus Road	10,140	6,625	6,625		100%

<b>Name of Project - A</b>	<b>Kgaphamadi Bus Route</b>
Objective of Project	Reduction in the level of service delivery backlogs
Delays	Slow progress on site, community outcry i.e non-payment of subcontractors
Future Challenges	Constant project stoppages
Anticipated citizen benefits	Easy access to services

<b>Name of Project - B</b>	<b>Laersdrift Bus Road</b>
Objective of Project	Reduction in the level of service delivery backlogs
Delays	Slow progress on site, delays in approving the designs for R555 intersection by SANRAL
Future Challenges	None
Anticipated citizen benefits	Easy access to services

<b>Name of Project - C</b>	<b>Kgoshi Mathebe, Matsepe and Makgopheng Ring Road</b>
Objective of Project	Reduction in the level of service delivery backlogs
Delays	None
Future Challenges	None
Anticipated citizen benefits	Easy access to services

<b>Name of Project - D</b>	<b>Mpheleng Bus Route</b>
Objective of Project	Reduction in the level of service delivery backlogs
Delays	None
Future Challenges	None
Anticipated citizen benefits	Easy access to services

<b>Name of Project - E</b>	<b>Naganeng Bus Road</b>
Objective of Project	Reduction in the level of service delivery backlogs
Delays	None
Future Challenges	None
Anticipated citizen benefits	Easy access to services

#### **COMMENT ON CAPITAL PROJECTS:**

During 2018/19 Financial Year, the Municipality received a Total Allocation of **R61 832 000.00 (R53 832 000.00 + R8 000 000.00)** of MIG grant inclusive of the additional fund. A total of five (5) projects were implemented, of which all were roads projects. As at end of the financial year, only three projects were completed and one was a multi-year project that continued into 2019/20 FY. One of the fifth project was rolled over with the approved amount of **R 1.5 million**, and is anticipated to be completed by end of December 2019.

#### **5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS - OVERVIEW**

##### **INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS**

There is still huge backlog in terms of Basic Infrastructure that is Water and Sanitation which is implemented at District level. The backlog for Electricity is only 4.%.

<b>Service Backlogs as at 30 June 2019</b>				
<b>Households (HHs)</b>				
	<b>*Service level above minimum standard</b>		<b>**Service level below minimum standard</b>	
	<b>No HHs</b>	<b>% HHs</b>	<b>No HHs</b>	<b>% HHs</b>
Electricity	66 330	95.3%	3112	4.7 %
Waste management	66 330	0%	66 330	16.5
Housing				

% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to \* formal and \*\* informal settlements.

#### **COMMENT ON BACKLOGS:**

There is a minor backlog in terms of electricity only 4% backlog has been identified with regards to households that do not have access to basic electricity. This backlog is due to expansion of the existing villages.

Roads and storm water as key function of the municipality is being implemented by MIG funds and own funding. The municipality has a serious backlog on roads and storm water and has challenges of resources and lack of

funding to enable them to deal with the backlog. The identified backlog of unsurfaced roads and storm water controls is up to 92% on the municipal road networks.

The municipality has a program for re-gravelling and blading of internal roads for accessibility to reduce the backlog. The machinery is stationed at satellite offices and there is a register for the rotation of those machinery to different wards. There has been an improvement on accessibility of internal roads.

Municipal Infrastructure Grant (MIG)* Expenditure 2018/2019 on Service backlogs R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Original Budget	Adjustment Budget	
<b>Infrastructure - Road transport</b>						
Roads, Pavements & Bridges	R53,832	R61,832	R60,331	(R6,499)	1,500	Prioritize residential infrastructure for roads and sports facilities
Storm water	R0	R0	R0	R0	R0	
<b>Infrastructure - Electricity</b>						
Generation	R0	R0	R0	R0	R0	
Street Lighting	R0	R0	R0	R0	R0	
<b>Infrastructure - Other</b>						
Transportation	R0	R0	R0	R0	R0	
Gas	R0	R0	R0	R0	R0	
<b>Other Specify:</b>						
Sports - Outdoor	R0	R0	R0	R0	R0	
Street Parking	R0	R0	R0	R0	R0	
Waste Management	R0	R0	R0	R0	R0	
<b>Total</b>	R53,832	R61,832	R60,331	(R6,499)	1,500	

### COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

#### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The cash flow outcome presents the actual revenue and actual payments made during the year under review. Actual revenue realized should be differentiated from revenue billed because revenue billed does not portray the holistic financial position and performance of the municipality.

As a result, the cash flow outcome is presented on cash basis as opposed accrual basis of accounting.

Cash and cash equivalent of the municipality is made up of cash in the primary and all the short term investment.

Cash and cash equivalent of the municipality is made up of cash in the primary and all the short term investment.

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Property rates	20 409	28 587	20 797	1 827	27 132
Service charges	68 403	89 922	80 709	4 224	88 126
Other revenue	14 831	18 225	18 724	1 741	4 469
Government - operating	226 165	245 278	245 278	–	245 283
Government - capital	97 899	63 830	93 601	–	93 601
Interest	12 621	4 632	4 170	209	2 707
Dividends	–	–	–	–	–
<b>Payments</b>					
Suppliers and employees	(343 186)	(359 801)	(336 508)	(15 058)	(356 478)
Finance charges	(281)	(2 500)	(2 900)	(76)	(2 797)
Transfers and Grants	(841)	(4 404)	(3 580)	(86)	(2 483)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>96 019</b>	<b>83 769</b>	<b>120 291</b>	<b>(7 219)</b>	<b>99 560</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE	2 400	2 000	2 000	–	2 839
Decrease (Increase) in non-current debtors		2 000	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–
<b>Payments</b>					
Capital assets	(106 372)	(75 869)	(97 572)	(7 990)	(76 437)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(103 972)</b>	<b>(71 869)</b>	<b>(95 572)</b>	<b>(7 990)</b>	<b>(73 598)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Receipts</b>					
Short term loans		–			–
Borrowing long term/refinancing		–		–	–
Increase (decrease) in consumer deposits	–	171	171	(603)	833
<b>Payments</b>					
Repayment of borrowing	(6 900)	(10 000)	(6 811)	(751)	(8 843)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(6 900)</b>	<b>(9 829)</b>	<b>(6 640)</b>	<b>(1 354)</b>	<b>(8 010)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(14 854)</b>	<b>2 071</b>	<b>18 079</b>	<b>(16 562)</b>	<b>17 952</b>
Cash/cash equivalents at beginning:	21 048	15 968	6 194		6 225
Cash/cash equivalents at month/year end:	6 194	18 039	24 273		24 177

#### COMMENT ON CASH-FLOW OUTCOMES:

Cash and cash equivalent at the beginning of the financial year was R15, 968 million and when comparing this to the cash and cash equivalent as at end of 2018/19 financial year, the results reflects a increase in cash and cash equivalent of R2, 071 million and this portrays a negative picture about cash management of the municipality and this is supported by unfavourable liquidity ratio. Cognizance should be taken that the municipality is still dependent on grants since a major portion of revenue realized is made up of transfer recognized (both operating and capital).

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Actual Borrowings 2016/17-2018/19			
	R'000		
Instrument	2016/17	2017/18	2018/19
<b>Municipality</b>			
Long-term loans (annuity/reducing balance)	-	-	-
Long-term loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment credit	-	-	-
Financial leases	6,900	0	30,050
PPP liabilities	-	-	-
Finance granted by cap equipment supplier	-	-	-
Marketable bonds	-	-	-
Non-marketable bonds	-	-	-
Bankers acceptances	-	-	-
Financial derivatives	-	-	-
Other securities	-	-	-
<b>Municipal Total</b>	<b>6,900</b>	<b>0</b>	<b>30,050</b>
<b>Municipal Entities</b>			
Long-term Loans (annuity/reducing balance)	-	-	-
Long-term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment credit	-	-	-
Financial leases	-	-	-
PPP liabilities	-	-	-
Finance granted by cap equipment supplier	-	-	-
Marketable bonds	-	-	-
Non-Marketable bonds	-	-	-
Bankers acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
<b>Entities Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

Municipal and Entity Investments 2016/17 – 2018/19			
	R'000		
Investment type	2016/17 Actual	2017/18 Actual	2018/19 Actual
<b>Municipality</b>			
Securities - national government	-	-	-
Listed corporate bonds	-	-	-
Deposits –bank	15,631	0	11 837
Deposits -public investment commissioners	-	-	-

Deposits -corporation for public deposits	-	-	-
Bankers' acceptance certificates	-	-	-
Negotiable certificates of deposit - Banks	-	-	-
Guaranteed endowment policies (sinking)	-	-	-
Repurchase agreements - Banks	-	-	-
Municipal bonds	-	-	-
Other	-	-	-
<b>Municipal Entities</b>			
Securities - National government	-	-	-
Listed corporate bonds	-	-	-
Deposits – Bank	-	-	-
Deposits - Public Investment Commissioners	-	-	-
Deposits - Corporation for Public Deposits	-	-	-
Bankers' acceptance certificates	-	-	-
Negotiable certificates of deposit- Banks	-	-	-
Guaranteed endowment policies (sinking)	-	-	-
Repurchase agreements – Banks	-	-	-
Municipal bonds	-	-	-
Other	-	-	-
<b>Entities Sub-Total</b>	15,631	0	11,837
<b>Consolidated Total:</b>	15,631	0	11,837

#### COMMENT ON BORROWING AND INVESTMENTS:

The municipality had borrowing in the form of finance lease for heavy machinery and equipment amounting to as R30, 050 million at end of 2018/19 financial year.

The closing balance on investments was R11, 837 for the financial year.

#### 5.11 PUBLIC-PRIVATE PARTNERSHIPS

##### PUBLIC-PRIVATE PARTNERSHIPS

Not applicable

#### COMPONENT D: OTHER FINANCIAL MATTERS

#### 5.12 SUPPLY CHAIN MANAGEMENT

##### SUPPLY CHAIN MANAGEMENT

The financial statements for the 2018/19 financial year presents an irregular expenditure of R167, 142 million as opening balance and during the year irregular expenditure amounting to R49, 832 million was incurred. This leaves the municipality with overall irregular expenditure of R216, 975 million that emanated from procurement of goods and services without fully following the supply chain management processes. For 2018/19 financial year none of the year to date irregular expenditure was written off by Council of the municipality.

The municipality has implemented central supplier database that has been rolled out by National Treasury with the intention of maintaining a database of organisations, institutions and individuals who can provide goods and services to government institutions. This database serves as the single source of key supplier information for

organs of state and it provides consolidated, accurate, up-to date, complete and verified supplier information to procuring organs of state.

### 5.13 GRAP COMPLIANCE

GRAP provides the rules and principles by which municipalities are required to abide by in preparing the financial statements. Successful GRAP compliance and implementation will ensure that municipal accounts are transparent, comparable and more informative to the users of the financial statement.

Elias Motsoaledi local municipality was audited on annual financial statements that were prepared using mSCOA trial balance and general ledger that were GRAP compliant.

#### 5.14 Service provider's performance

Project Name	2018/2019 budget	Challenges (any signs of poor performance)	Mitigations (any warning given to the service provider)	Name of Consultant / Contractor	Assessment Rating or comments	Construction Tender Awarded to
Kgapahamadi construction of bus route, bridge and storm water control PH1E	R19,942,000.00	The progress on site is proceeding at a slower pace	Weekly intervention meetings to monitor the progress	Sky High Consulting Engineers	4	
				Sihle Civil and Project Development	4	
Construction of Laersdrift bus road PH1B	R16,515,084.13	Contractor's progress is very slow	The contractor was requested to submit the revised programme of works with extension of time and catch-up plan	Dikgabo Consulting Engineers	4	
				Mothakge Phadima Construction	4	
Kgoshi Mathebe, Matsepe and Makgopheng construction of ring road and storm water control	R9,000,000.00	None	None	Tlou Integrated Tech	5	
				Moleleki A Tlala Transport and Projects	5	
Mpheleng construction of bus route and storm water contro PH1D	R9,750,000.00	None	None	Munei Consulting and Project Managers	5	
				Maditsi Jan Construction and Projects	5	
Naganeng construction of bus road	R6,624,915.87	None	None	Dolmen Engineers	5	
				Sihle Civil and Project Development	5	
Development of Fleet centre PH2	R5,881,377.04	None	None	Dikgabo Consulting Engineers	5	

				Shatadi Developers	5	
Groblersdal Roads and Streets	R4,420,005.45	None	None			
				Kgwadi ya Madiba	5	
Rehabilitation of Ramogwerane to Nkademeng Road	R1,725,000.00	None	None			
				Kgwadi ya Madiba	5	
Construction of Nyakoroane Road	R1,500,002.00	None	None			
				Kgwadi ya Madiba	5	
Upgrading of Groblersdal Landfill Site	R1,650,000.00	None	None	Moribo / Maditsi JV	5	
Energy Efficiency and Demand Site Management	R5,000,000.00	None	None	Xsemble	5	
Electrification of Makaepa	R3,300,000.00	None	None	NSK Electrical and Construction Managers	5	
				Lefhumo Lwa Barema Trading	5	
Electrification of Masakaneng	R3,344,000.00	None	None	NSK Electrical and Construction Managers	5	
				KF Phetla Projects	5	
Electrification of Tambo	R3,344,000.00	None	None	NSK Electrical and Construction Managers	5	
				Lefhumo Lwa Barema Trading	5	
Printing Services	As per the contract rates	None	None		4	n/a
Printing Services	As per the contract rates	None	None		4	n/a
Investigation Support to MPAC		None	None	KEP Consulting	4	n/a
Investigation Support to MPAC		None	None	Makanaka Risk & Advisory	4	n/a

Investigation Support to MPAC		None	None	RCA & Company	4	n/a
Develop Land Use Scheme status quo analysis	R500 000.00	None	O B Media Solutions	Nhlase Development Consultants	3	n/a
Site Demarcations at 'Kgoshi' Matsepe traditional area	R500 000	None	KEP Consulting	Pfukani Kusile Consulting	3	n/a
Site Demarcations at 'Kgoshi' Mahlangu traditional area	R500 000	None	Makanaka Risk & Advisory	Mok Development Consultants	3	n/a
Subdivision of Residential Ervens in Roossenekal	R350 000	None	None	Black Dot Property Consultants	3	n/a
Outdoor advertising	n/a	Yes	Notified about displeasure of service and requested a performance report	DirectoSign	1	n/a
Server, network maintenance and support	R2,730,698	No skill transfer	Service provider was engaged to implement skills transfer	PMH	3	n/a
Microsoft software licensing	R 924 911	Submission of invoice in dollars	Continuous engagement with National / Provincial Treasury	Microsoft	3	n/a
Maintenance of telephone management system	R2,738,597	Budget management system was not properly functional	The system was fixed to the extent that it is now properly functional	MHOFU	4	n/a
Bulk printing maintenance and support	R788,314	Undesirably slow turnaround time in providing	Continuous engagement with service provider	Canon Masakhane	1	n/a

		maintenance, repair & support				
Supply & delivery of computer hardware devices	R800,000	Delivery of goods & services behind scheduled time	Continuous engagement with service provider i.e. 16/07/2018	Moagi Technologies	1	n/a
Website maintenance and support	Finance (BTO) to provide details	None	None	SITA	4	n/a
Supply, installation, fault finding and repairs of air conditioners for	Finance (BTO) to provide details	None	None	Maditsi Jan Construction and Projects	3	n/a
Munsoft Consultants	R6 440 000 pa	None	None	Munsoft	3	n/a
Printing of statements [Expired]	R288 000 pa	None	None	CAB Holdings	3	n/a
Asset Management	R4 700 000 pa	None	None	Market Demand	3	n/a
Financial system	R 120 000 pa	None	None	Caseware	3	n/a
Valuation services	R144 000 pa	None	None	UNIQUECO	3	n/a
Financial services	Bank charges	None	None	Nedbank	3	n/a
Payment service [Expired]	R4.72 per transaction	None	None	Pay@	3	n/a
Data Validations [Expired]	R540 000 pa	None	None	Cross Check	3	n/a
Payroll services	R98 000 pa	None	None	VIP	3	n/a
Selema Plant Hire /Mashumi Construction supply JV	2 622 000.00	None	None	Mr Sihlangu	3	n/a
Selema Plant Hire Construction	320 000.00 pm	None	None	Mr Bill Ramonyai	3	n/a
<b>Rating description</b>						
Poor Performance	1					

Fair Performance	2					
Good Performance	3					
Excellent Performance	4					
Outstanding Performance	5					

# **CHAPTER 6**

# **AUDITOR-GENERAL AUDIT**

# **FINDINGS**

**COMPONENT A:**  
**AUDITOR GENERAL OPINION OF**  
**FINANCIAL STATEMENT**

**COMPONENT B:**

## AUDITOR GENERAL'S OPINION 2018/2019

### 6.2 AUDITOR GENERAL'S REPORT 2018/2019

Auditor – General's Report on Financial Performance 2018/2019	
Audit Report Status*:	Qualified opinion

Non- Compliance Issues	Remedial Action Taken
As stipulated in the AGSA report	Audit action plan developed

Auditor-General's Report on Service Delivery Performance 2018/2019	
Audit Report Status:	Unqualified opinion

Non-Compliance Issues	Remedial Action Taken
As stipulated in the AGSA report	Qualified opinion

### 6.3 MUNICIPAL MANAGER AND CHIEF FINANCIAL OFFICER'S COMMENTS:

In terms of section 126(1) of the MFMA the Accounting Officer of a municipality must:

*"Prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing;"*

The financial statement as on 30 June 2019 of the municipality was submitted to the Auditor General on the 30<sup>th</sup> August 2019.

In terms of section 126(3)(a)(b) of the MFMA the Auditor General must:

*"Audit those financial statements; and submit an audit report on those statements to the Accounting Officer of the municipality or entity within three months of receipt of the statements."*

The Audit report for 2018/2019 was submitted to the Accounting Officer on 30 November 2019

The financial statements as on 30 June 2019 of the municipality was submitted within two months of the financial year end to the Auditor General on the Auditor General on the 30th August 2019.

The municipality has received a Qualified Audit opinion for the financial year ended 30 June 2019.

Council take note of the contents in the Auditor General report and Audit Action Plan developed to address issues raised by AGSA and the Annual Financial Statements.

#### **6.4 AUDIT COMMITTEE COMMENTS:**

The Audit Committee of the municipality has considered the Auditor General of South Africa (AGSA) report at a special meeting held with AGSA on 29 November 2019. The report showed a regress with the 2018/2019 audit outcome which was evidenced by a qualified audit opinion as compared to an unqualified audit opinion from the previous 2017/2018 financial year. The Audit Committee expressed their unhappiness to the municipality's management with regard to regress in the audit opinion. The Committee advised that management should develop an adequate Action Plan to address the findings which have been highlighted in the audit report as these may create problems in the upcoming audits if not attended to. The Audit Committee requested that management should put reasonable measures in place to ensure that there is no further regression from the current audit opinion, instead further improvement is expected in the future years.

## AUDIT ACTION PLAN

FINANCIAL YEAR	2018/2019
Municipality Name	Elias Motsoaledi Local Municipality
Audit Opinion	Qualified
Reporting Period	2018/2019

# **APPENDICES**

**APPENDIX A- COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE**

Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represented	No. of council meetings held	No. of council meetings attended	No. of apologies for non-attendance	No. of Absence without leave
Mphela	Mojabeng Amelia	PT	Finance. Council	ward	19	19	0	0
Phatlane	Alfred	FT	Corporate Services EXCO Council Meeting Ethics	ward	19	14	2	3
Mamakoko	Mokgohlwe Lettie	PT	Planning Council	ward	19	16	0	3
Moima	Lizzy Mahlatse	PT	Community Services Council	ward	19	16	1	2
Makweoane	Agnes Mapetle	PT	Infrastructure Council	ward	19	15	1	3
Ndlovu	Raymond Ndumiso	PT	Executive Council	ward	19	17	1	1
Phala	Magabolle Lucas	PT	MPAC: member Ethics Council	ward	19	16	1	2
Ratlou	Sefako Winter	PT	Community Services Council Rule and petition	ward	19	19	0	0
Ratau	Rose Mmapule	PT	Executive Support Council	ward	19	15	2	2
Madisa	Kgadi Francinah	PT	Planning Council	ward	19	11	5	3
Namane	Given Ranyaba	PT	Planning Council	ward	19	16	0	3
Phorotlhoe	Thabiso Andries	PT	Finance. Council	ward	19	16	0	3

Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represent ed	No. of council meetings held	No. of council meetings attended	No. of apologies for non- attendance	No. of Absence without leave
			Rules and petitions					
Oosthuizen	Willem Nicolaas Saaiman	PT	Council Executive Support	ward	19	15	2	2
Bogopa	Botha(M)	PT	Community Services Council	ward	19	11	8	0
Mahlangu	Julia (F)	PT	Ethics Council	ward	19	11	0	0
Zulu	Ben Madolombane (M)	PT	Infrastructure Council	ward	19	14	3	2
Ratau	Tsimisi Thabiso(M)	PT	Corporate Services Council Meeting	ward	19	12	2	5
Machipa	Toudi Aron (M)	FT	Head Finance. EXCO Council	ward	19	19	0	0
Masimula	Phahlana (M)	PT	Corporate Services Council	ward	19	16	1	2
Skhosana	Waziwa Jim (M)	PT	Finance. Council	ward	19	15	1	3
Makeke	George Monnana (M)	PT	Ethics MPAC Member Council	ward	19	13	2	4
Matsepe	Motlalekgomo Maria(F)	PT	Planning council	ward	19	16	1	2
Mahlangu	Nomsa Ndazi (F)	PT	Council Executive Support	ward	19	17	0	2
Mokganyetji	Thomas Mareme (M)	PT	Infrastructure Rules and Petitions Council	ward	19	16	0	3

Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represent ed	No. of council meetings held	No. of council meetings attended	No. of apologies for non- attendance	No. of Absence without leave
Maphopha	Emily Maabele	PT	Community Services Council	ward	19	16	0	3
Motlafe	Manthwaleng Girly	PT	Ethics Council	ward	19	18	0	1
Mokwane	Magdeline Kubane	PT	Infrastructure Council	ward	19	18	0	1
Maipushe	Sekina Manku	PT	Rules and Petitions Council	ward	19	14	0	5
Malatji	Meriam Nape	PT	Finance Council Rule and petition	ward	19	18	0	1
Kgopa	Kgabo Silas	PT	Corporate Services Council	ward	19	18	1	0
Msiza	Mothibe Rhodes	PT	Corporate Services Council Rules and petition	ward	19	17	0	2
Mathebe	Julia Lata	FT	EXCO/Mayor Council	PR	19	15	0	4
Matjomane	Germinor Delly (F)	FT	Head Infrastructure Council	PR	19	18	0	1
Tladi	Magetle David	FT	Speaker	PR	19	18	0	1
Phahlamohlaka	Tebogo Mafereke	FT	Ethics Council	PR	19	17	0	2
Mehlape	Salminah Hlaole	PT	MPAC: member Council	PR	19	16	1	2
Mmutle	Thabo Nelson	PT	Head Planning Council EXCO	PR	19	7	2	10

Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represent ed	No. of council meetings held	No. of council meetings attended	No. of apologies for non- attendance	No. of Absence without leave
Matsepe	Thapelo Stephina	PT	Finance. Council	PR	19	8	1	9
Makunyane	Hlako Justice	PT	MPAC-Chairperson Council	PR	19	18	1	0
Mashilo	Malope Samaria	PT	Head Community Services Council EXCO	PR	19	18	0	1
Phetla	Mannyana Grace	PT	Head Executive Support Council	PR	19	18	0	1
Makitla	Ramotlogeli Johannes	PT	Planning Council	PR	19	17	1	1
Mogotji	Fanie Motshole	PT	Executive Support Council	PR	19	15	1	2
Madondo	Vernatia-Claudia Philile	PT	Rules and Petitions Council	PR	19	15	4	0
Mohlala	Moses Themba	PT	MPAC member Council	PR	19	16	1	2
Alberts	Rots	PT	Infrastructure council	PR	19	16	0	3
Mathebe	Chipane Norman	PT	Community Services Council Planning	PR	19	16	1	2
Tshivhula	Murathi Pat	PT	Corporate Services Council Ethics	PR	19	14	2	3
Kotze	Johan Pieter	PT	Finance. Council	PR	19	16	1	2

Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represent ed	No. of council meetings held	No. of council meetings attended	No. of apologies for non- attendance	No. of Absence without leave
Hlathi	Margaret Zodwa	PT	council	PR	19	13	1	5
Shai	Kweletsi Collen	PT	EXCO Council	PR	19	11	1	7
Lecheko	Virginia Morotse	PT	Planning Council	PR	19	12	0	7
Ngwenya	Zodwa	PT	Council	PR	19	15	1	3
Ntuli	Mamotale Brenda	PT	Council Infrastructure	PR	19	15	1	3
Mosotho	Mooimane Tatane	PT	Council Planning	PR	19	12	3	4
Ranala	Maselopi	PT	Council Executive Support	PR	19	11	1	7
Ntheko	Tshepo Mokgobo	PT	Council	PR	19	13	1	5
Mthombeni	Vensile Lea	PT	Corporate Services Council Ethics	PR	19	15	2	2
Maloba	Alpheus Matome	PT	Community Services Council EXCO Rules and Petitions	PR	19	15	1	3
Ramphisa	Motiba William	PT	Council	PR	19	12	0	7
Matunyane	Nthabiseng Topsion	PT	Finance. Council Finance	PR	19	7	0	12

## APPENDIX B - COMMITTEE AND COMMITTEE PURPOSE

Committees (other than Mayoral/Executive Committee) and Purposes of Committees	
Municipal Committee	Purpose of Committee
Corporate Services Committee	Addressing relevant issues and reports
Infrastructure Committee	Addressing relevant issues and reports
Finance Committee	Addressing relevant issues and reports
Social Development Committee	Addressing relevant issues and reports
Executive Support Management Committee	Addressing relevant issues and reports
Development Planning Committee	Addressing relevant issues and reports
Local labour forum	Address all employer and employee related matters
Municipal public accounts committee	Oversight committee addressing AG report, financial reporting investigating items delegated by council
Executive Committee	Give political direction to executive management and report to council
Rules and ethics	Investigates reports of unethical conduct, formulates rules and principles, and recommends actions on ethical issues
Programming	Deals with all items submitted and determines which items must serve in portfolio committees and which one must serve in council without serving in portfolio committees
Local geographical names change(LGNC):	Deals with changing of street names within the municipal area

**APPENDIX C- THIRD TIER ADMINISTRATIVE STRUCTURE**

Designation	Initial And Surname	Gender
Municipal Manager	Ms R.M Maredi	Female
Senior Manager: Executive Support	Mr. M. M. Kgwale	Male
Senior Manager: Corporate Services	Mr. N.D. Matumane	Male
Senior Manager: Infrastructure	Ms N.R Makgata	Female
Chief Financial Officer	Vacant	-
Deputy Chief Financial Officer	Mr L.M Sebelelebele	Male
Senior Manager: Community Services	Ms. G. E. Kegopotsemang	Female
Senior Manager: Development Planning	Mr. N. W. Phala	Male
Manager: Property Management and Housing	Mr. R Palmer	Male
Manager: Mayor Support	vacant	-
Manager: Assets	Mr. C. Tjane	Male
Manager: Budget	Ms K.U Sebelelebele	Female
Manager: Council Support	Mrs. M Burger	Female
Manager: Supply Chain Management	Mr M Mthimunye	Male
Manager: Revenue	Vacant	-
Manager: Hlogotlou	Mr. A Madiba	Male
Manager: Roossenekal	Mr. M. J. Maboa	Male
Manager: Motetema	Mr. C. C. Masemola	Male
Manager: Human Resources	Mr. L. Mafiri	Male
Manager: Administration	Mr. G. M. Ditshego	Male
Manager: ICT	Mr T. Mashaba	Male
Manager: Environmental services	Ms M Mokhulwane	Female
Manager: Expenditure	Mr. C Mtsweni	Male
Superintendent Roads Construction Unit	Mr. J Malaka	Male
Manager: Public Safety	Mr. C Coetzee	Male
Manager: Roads	Vacant	-
Manager: Licensing	Ms. M. V. Matlala	Female
Manager: LED	Mr. M Sebei	Male
Manager: IDP	Mr. J Motha	Male
Manager: PMU	Mr. F Debeila	Male
Manager: PMS	Ms P Mdluli	Female
Manager: IGR	Mr. M. J. Mathebe	Male
Electrical engineer	Mr K.K. Mametsa	Male
Chief Risk Officer	Mr K. Mathebe	Male
Manager: Development and Town Planning	Mr B. Sethojoa	Male
Manager: Internal Audit	Ms. V. Mokoele	Female
Manager: Fleet	Mr. V. Masilela	Male

**APPENDIX D - FUNCTIONS OF MUNICIPALITY/ENTITY**

<b>Municipal/Entity Functions</b>		
<b>Municipal Functions</b>	<b>Function Applicable to Municipality (Yes/No)*</b>	<b>Function Applicable to Entity (yes/no)</b>
<b>Constitution, Schedule 4, Part B Functions</b>		
Air pollution	yes	
Building regulations	yes	
Child-care facilities	yes	
Electricity and gas reticulation	yes	
Fire-fighting services	yes	
Local tourism	yes	
Municipal airports	No	
Municipal planning	yes	
Municipal health services	yes	
Municipal public transport	yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other	yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and related matters	yes	
Storm water management systems in built-up areas	yes	
Trading regulations	yes	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	No	Sekhukhune District Municipality
Beaches and amusement facilities	no	
Billboards and the display of advertisements in public places	yes	
Cemeteries, funeral parlours and crematoria	yes	
Cleansing	yes	
Control of public nuisances	yes	
Control of undertakings that sell liquor to the public	yes	
Facilities for the accommodation, care and burial of animals	yes	
Fencing and fences	yes	
Licensing of dogs	no	
Licensing and control of undertakings that sell food to the public	yes	
Local amenities	yes	
Local sport facilities	yes	
Markets	yes	
Municipal abattoirs	yes	
Municipal parks and recreation	yes	
Municipal roads	yes	
Noise pollution	yes	
Pounds	yes	
Public places	yes	
Refuse removal, refuse dumps, and solid waste disposal	yes	
Street trading	yes	
Street lighting	yes	
Traffic and parking	yes	

**APPENDIX E - WARD REPORTING**

**WARD BASED MEETINGS**

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
Ward No 01	Cllr Mphela M.A <b>Ward Committee</b> Julia Maredi Simphiwe Mahlangu Jane Sibiloane Martha Nxumalo junior Thethé Anges Mmotong Simphiwe Mthombeni Samual Phasha Christa kotelo Mabodika Kgati Maepa	Yes	11	11	4
Ward No 02	Cllr Phatlane A <b>Ward Committee</b> Mathabathe Mpho Monage Tshepo Khama Mahlangu Geeilbooi Makua Samuel Dunge Olgar Bafedi Aibiot (Deceased) Mankge Hermans Moloi Abednigo Phatlane Lucy Boroko Kodisang Mathews	Yes	9	9	4
Ward No 03	Cllr Mamakoko M.L <b>Ward Committee</b> Mputsu David Mahlangu Sonia Magashule Marie Mokwala Matron Mokwana Stephina Modiba Mary Tshego Mmapula Kgaphola Delige Mothibi Lucy Kgaphola Frans Makua	Yes	11	11	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
Ward No 04	Cllr Moima L.M <b>Ward Committee</b> Dipuo Mashabela Lebogang Dinba Kanyane Mphahlele Vacant ( on CWP) Fatima Thabethe Selina Matlou Lucas Mathimunyane Kenneth Malapele Anges Ramphisa Israel Malapela	Yes	6	6	4
Ward No 05	Cllr Makweoane <b>Ward Committee</b> Violet Mashigo Fannie Nkambule Monicca Mkgatsela Sharleen Mphake Mankwe Mokgabudi Petrus Matentshi Mapaseka Mokgabudi Leshate Mashabela Nelson Mogano Thili Lepota	Yes	7	7	3
Ward No 06	Cllr Ndlovu R.N <b>Ward Committee</b> Thethan Mahlangu Ntombi Mahlaba Nokuthula Reginah Winile Ndlangamandla Zakhele Hlathi Sipho Mandlazi Adelaide Limakwe Elizabeth Mpshe(Resigned) Delisa Joseph Popi Mashego	Yes	9	9	4
Ward No 07	Cllr:Phala Lucas <b>Ward Committees:</b> Philimon Moshiga	Yes	8	8	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Brenda Phasha Nomsa Sibeko Glass Makatelele Jan Mtshweni Busisiwe Magolego Tebogo Mokgoadi Ericca Makwua Benjamane masweu Simon Thipe				
Ward No 08	Cllr Ratlou S.W <b>Ward committees:</b> Charlotte Mogudi Moshingwaneng Ditshego Isaiah Mahlangu Annah Wessels Friedah Phetla Bangiswane Mthombeni Ditsheso Mokotedi Albert Mafa Elias Mamohlale Gloria Rahlogo	Yes	11	11	4
Ward No 09	Cllr Ratau R.M <b>Ward Committees:</b> Elijah Ntombela Isaac Makofane Mafa Mashinini Sebongile Mohlape Coshiwe Nkambule Eric Nkosi Louisa Masilela Fortune Tsholofelo Aaron Mtshweni Joseph Manzini	Yes	11	11	4
Ward No 10	Cllr Madisa K.F <b>Ward Committees:</b> Rita Rahlogo Mathebe Rebbecca Katlego Sifoleshe Madire Modupi Mohlamanyane	Yes	11	11	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Ivy Madisa Zodwa Ngele Sandra Ramphisa Mathebe Buti .Malefahlo Mokgase mohlamonyane Motsumi				
Ward No 11	Cllr Namane G.R <b>Ward Committees:</b> 1 Wonderboy Cekhu 2 Delane Mugeri 3 Eleoner Matlou 4 Sepadi Mampuru 5 Malelula leopo 6 Samora Madisa 7 Rina Mutha 8 Moses Mafiri 9 Thobile Mathibedi 10 Anges setoto Magopa	Yes	4	4	1
Ward No 12	Cllr Phorothhoe <b>Ward Committees</b> Mmadisele Mathebe Moleme Podile Mmalehu Mohlala Mothaku Namane Calvin Mathunyane Elizabeth Monageng Doctor Nakedi Alfred Makitla Betty Mathebe Klass Mathebe	Yes	10	10	4
Ward No 13	Cllr Oosthuizen W.N.S <b>Ward Committees:</b> Martin Coetsee Dirk Hessels phochanaD.M Maria D.Fourie J.H Mmakole Dirk Walker T.S Matsomane A.J Schombee Franska Kleinhans	Yes	5	5	1

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Shaun A.Mellors				
Ward No 14	Cllr: Bogopa B <b>Ward Committees:</b> Bareng Mphahlele(Resigned) Phakwane Mareng Moses Boshielo Chikane Kgorutle Makeke Mantwa Dipou Matlala Stepen Maleka Jaremia Phetla Enock Ramoispa Maggie Isa	Yes	1	1	0
Ward No 15	Cllr: Mahlangu J <b>Ward Committees:</b> Lucas Zwane Rinah Mahlangu Job Tshepo Mokwena Sbongile Nkosi Sibongile Masiela Mpho Skosana(expelled) Johannah Mashiya Malehu Mokoana Jan Masimula Msanomnlane Mahlangu	Yes	11	11	4
Ward No 16	Cllr: Zulu B.M <b>Ward Committees</b> Mapule Mokgolokgotho Jabulane Mahlangu Sarah Skosana Fanie Makua December Msitsa Sinah Mahlangu Maria Mthimunyane Nick Mgidi Khomotso Maphosa(not on IEC roll) Kodin Skhosana	Yes	2	2	1
	Cllr: Ratau T.T	Yes	7	7	0

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
Ward No 17	<b>Ward Committees:</b> Irene Mokwana Moetana Mohlala Rankepile Mabelane Kagiso Mabelane Gabriel Magashula Moeti Mkhondo Motlalepule Madihlaba Freddy Nkadimeng(decease) Andries Hlabishe Annah Masemola				
Ward No 18	Cllr: Machipa T.A <b>Ward Committees:</b> Martha Mohlahlo Jamis Chego Maria Tshehla Mojalefa Rankwe Tumishi Mohlahlo Annah Mnguni Elsa Fenyane Sydney Phetla Shemeng Mtshweni Maria Makuwa	Yes	5	5	2
Ward No 19	Cllr: Masimula P <b>Ward Committees:</b> Sophi Masemola Amos Gabril Sinkie Skosana Ranapo Chigo Rose Mtshweni Sophie Masimula Shabangu Dlalabaphi Getrude Mashiane Mahlangu Khonzephi Nkosinathi Machuka	Yes	6	6	4
Ward No 20	Cllr Skhosana W.J <b>Ward Committees:</b> monica Madihlaba Lina Makaleng Felicia Mokoana	Yes	9	9	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Zodwa Mokwena Nteseng Madihlaba Patricia Sekgala Shima Monaledi thabo Skosana Debora Maredi Thapedi Ietageng				
Ward No 21	Clir: Makeke G.M <b>Ward Committees:</b> 1 Mavis Theresia Mthimunye 2 David Skhosana 3 Joel Mohlahlo 4 Khoza Dipuo 5 Kate Matenchi 6 Lejatau Seroka 7 Elsie Mamonyane 8 Sonnyboy Sekele 9 Dorcas Makeke 10 Motlapele Nkgudi	Yes	6	6	3
Ward No 22	Clir Matspe M.M <b>Ward Committees:</b> Mathibela Mashego Annah Radingwana Frans Mdebele Tebogo Tau Stephina Mokwal Thabo Radingwana Leah Tshoma Jan Mashilawako Patrick Moramaga lindiwe Maleka	Yes	10	10	3
Ward No 23	Clir: Mahlangu Nomsa <b>Ward Committees:</b> Regina Ntuli Lydia Lerobane Jimmy Masemola Thokozile Ntuli Milzon Madihlaba Busisiwe Motha	No	11	11	4

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Simon Sithole Rose Mokoana Sipho Mahlangu Sylvia Chego				
Ward No 24	Cllr: M.M <b>Ward Committees:</b> Isaac Maladi Mpotsing Mtshweni Prince Maloma Meshack Thobejane Dorothy Makeke Maputana Moloko Martha Monareng Thabeng Nyalungu Elizabeth Mathunyane Amos Tshoma	Yes	11	11	4
Ward No 25	Cllr: Mapophoa E.M <b>Ward Committees:</b> Jane Lekala Makgadi Malatji Sarah Makwana Julia Mohlala Lerato Skosane Jack Motsana Reneilwe Rampedi khomotsu Ramphisa Francinah Mampuru Thobile Matsepe	Yes	6	6	1
Ward No 26	Cllr:Motlape M. G <b>Ward Committees:</b> Sepedi Mohlala Mmantwe Tagane Matlakala Knowledge Ditau Magampa Deborah Mashabela Dazie Msiza Amos Chabedi Mapule Mmuledi Karabo Matshingwane	Yes	11	11	4
	Mmabatsheleng Matspepe				

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Matladi Tshepho				
Ward No 27	Cllr: Mokwane M.K	Yes	6	6	1
	<b>Ward Committees:</b>				
	Job Matladi				
	Lebogang Choma				
	Tebatso Sihlangu				
	Mogudi Meba				
	Dudu Mokadi				
	Frans Tlaka				
	Motébu Arimbi				
	Thabo Makua				
	Caroline Mantsolo				
	Thandi makuwa				
Ward No 28	Cllr:Maipushe S.M	Yes	9	9	4
	<b>Ward Committees:</b>				
	Klass Maredi				
	Modupi Fenyane				
	Evah Matuludi				
	Prudence Skosana				
	Pratick Tladi				
	Rachel Mohlala				
	Amos Ntobeng				
	Sarah Pheladi				
	Lucas Aphane				
	Victor Seopela				
Ward No 29	Cllr: Malatji M.N	Yes	11	11	4
	<b>Ward Committees:</b>				
	Thuso Makuwa				
	Reginah Makuwa				
	Lindiwe Mahlangu				
	Grace Malatji				
	Diale Motla				
	Caroline Matjomane				
	Victor Diago				
	Thabang Fenyane				
	Gautana Matsumane				
	Lazarus Rakgalakane				
Ward No 30	Cllr: Kgopa K.S	Yes	6	6	3
	<b>Ward Committees:</b>				
	Ammina Magakwe				
	Sebutjwane Maduna				

Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers 'Office on Time'	Number of Quarterly Public Ward Meetings Held During Year
	Seraki Motstsaa Jim Molapo Bongi Maabane Thabiso Matenji Mahlonoko Riba Patricia Mokwena Sinky Kodi Lina Masango				
Ward 31	Cllr : Msiza M.R				
	<b>Ward Committee</b>	Yes	7	7	4
	Gladys Maake Kgaogelo Dikotope Alfred Manasoe Moses simpho Peter Tsokela Lombard Mamogobo Lebogang Mpunga(Resigned) Ramosohlo Kgongane Enny Matsepe Prince Thobejane				

#### APPENDIX F - WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2018/2019 (Full List in Appendix L)				
R'000				
Ward No	Project Name & Detail	Start Date	End Date	Total Value
3 & 14	Naganeng Construction of 5.2km Bus Road and Storm Water Control	01 Aug 2017	09 Oct 2018	R35,474,177.94

**APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE**

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
<b>4<sup>TH</sup> ORDINARY AUDIT COMMITTEE MEETING – 23 JULY 2018</b>		
<b>MANAGEMENT REPORTS</b>		
23 July 2018	Update on special investigation unit (SIU)	<ul style="list-style-type: none"> <li>- The audit committee received the report from management with regard to the investigations being conducted by the special investigation unit (SIU).</li> <li>- The audit committee noted the presentation made by the CFO that: <ul style="list-style-type: none"> <li>➢ The SIU commenced with an investigation at the municipality.</li> <li>➢ The investigation will cover period from 01 July 2011 up to 14 December 2017.</li> <li>➢ The investigation costs to be covered by Council amount to R 8 million and will be appropriated during the 2018/2019 budget adjustment process.</li> <li>➢ The municipality will receive the final report by the SIU May 2019</li> </ul> </li> </ul>
	Update on VBS	<ul style="list-style-type: none"> <li>- The audit committee received a report from management and noted presentation made by management that: <ul style="list-style-type: none"> <li>➢ The VBS bank is placed under curatorship.</li> <li>➢ The municipality invested in VBS bank capital amount amounting to R 190 million and received the interest amount of R 2.9 million.</li> <li>➢ The municipality has managed to recover the whole amount invested at VBS bank and the final withdrawal was in March 2018.</li> <li>➢ During the reconciliation by management it was noted that interest variance amounting to R 48 246.51 is still outstanding.</li> </ul> </li> <li>- The report was noted by the Audit Committee with recommendation that in future when the municipality does investments, it must involve the risk office to do high level risk assessment on the investment before taking a decision.</li> </ul>
	4 <sup>th</sup> quarter litigation report	The audit committee took note of the litigation report and advised management to ensure completeness of all labour cases on the report.
	Progress on AG action plan for the year 2016/2017 financial year	The audit committee took note of the report with advice to management that the outstanding issues as indicated on the report be addressed before AGSA commence with the audit for 2018/2019 financial year.
<b>FINANCE DEPARTMENT REPORTS</b>		
23 July 2018	Progress on AFS preparation plan 2018/2019	<p>The report was noted by the audit committee with the following recommendations:</p> <ul style="list-style-type: none"> <li>- That internal audit reviews the draft 2017/2016 AFS</li> <li>- The AFS preparation plan should have a status column indicating achievement or none achievement of the planned activities.</li> </ul>

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS																																			
	Progress on mSCOA	The report on mSCOA was noted by the audit committee with questions asked and answered by management on the challenges, integration of the system with traffic fines system and asset management system, and the functioning of the project implementation and steering committee.																																			
	Asset register report (April to June 2018)	The asset management report for the 4 <sup>th</sup> quarter was noted by the audit committee.																																			
	Unauthorised, irregular, fruitless and wasteful expenditure 2018/2019	The audit committee noted the report with fruitless and wasteful expenditure amounting to R 421 359,78																																			
	4 <sup>th</sup> quarter report on debt collection 2018/2019	<p>The audit committee noted the report and enquired on the plan with regards to tribal accounts and possibility of write off of the account and the plan to recover debt from the company that is liquidated.</p> <p><b>1. <u>Tribal accounts</u></b></p> <p><i>The areas belonging to Magoshi with outstanding balance of R 3,447,174.48 on rates.</i></p> <p><b>2. <u>Mapochs mine Pty Ltd</u></b></p> <p><i>The company was liquidated and it had outstanding balance of R 743,306.72."</i></p>																																			
	Quarterly supply chain/procurement report (April to June 2018)	<ul style="list-style-type: none"> <li>- The audit committee noted the procurement report as management reported that the deviations have been reduced by appointing travel agencies.</li> <li>- Deviations reported as follows:</li> </ul> <p>➤ Deviations month of April 2018:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Date</th> <th>Service Provider</th> <th>Amount R</th> <th>Description of Goods and Services</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>12/04/2018</td> <td>Wits University</td> <td>R5 500</td> <td>Training</td> </tr> <tr> <td>2</td> <td>19/04/2018</td> <td>SAGE</td> <td>R 20 740</td> <td>Training</td> </tr> <tr> <td colspan="3">Total</td><td>R 26 240</td><td></td></tr> </tbody> </table> <p>➤ Deviations month of May 2018:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Date</th> <th>Service Provider</th> <th>Amount R</th> <th>Description of Goods and Services</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>15/05/2018</td> <td>INTER MUNICIPAL SPORTS OF SOUTH AFRICA</td> <td>R6 000.00</td> <td>Games for municipal officials</td> </tr> <tr> <td>2</td> <td>15/05/2018</td> <td>INTER MUNICIPAL</td> <td>R11 000.00</td> <td>Games for municipal officials</td> </tr> </tbody> </table>	No	Date	Service Provider	Amount R	Description of Goods and Services	1	12/04/2018	Wits University	R5 500	Training	2	19/04/2018	SAGE	R 20 740	Training	Total			R 26 240		No	Date	Service Provider	Amount R	Description of Goods and Services	1	15/05/2018	INTER MUNICIPAL SPORTS OF SOUTH AFRICA	R6 000.00	Games for municipal officials	2	15/05/2018	INTER MUNICIPAL	R11 000.00	Games for municipal officials
No	Date	Service Provider	Amount R	Description of Goods and Services																																	
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MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS						
				SPORTS OF SOUTH AFRICA				
		3	25/05/2018	RAND DATA	R10 890.50	Template design and supply of Warrant of arrest document for the Municipality		
		4	30/05/2018	ENTERPRISE AT University Of Pretoria	R4 140.00	Attending advanced computer training and report writing		
		Total		R 32 030.50				
	Overtime report (April to June 2018)	<ul style="list-style-type: none"> <li>- The audit committee reviewed the overtime report and expressed concern that overtime is claimed excessively and claims also emanate on the positions that do not qualify to claim overtime such as finance staff, law enforcement and licensing.</li> <li>- The progress report on overtime internal control implemented by corporate services department was noted as reported by management and the audit committee requested to review status of implementation of internal control at the next meetings.</li> </ul>						
	S & T Report	The S and T report was noted by the audit committee.						
<b>INFRASTRUCTURE SERVICES DEPARTMENT REPORT</b>								
23 July 2018	Infrastructure report (April to June 2018)	<ul style="list-style-type: none"> <li>- The audit committee took note of the infrastructure report with recommendation for management to record the two projects that they decided to discontinue with and not adjusted (i.e. Motetema and Ramogwerane) as not achieved in the annual performance report.</li> <li>- The audit committee also recommended that a column should be added on the report of actual completion date of the project.</li> </ul>						
<b>CORPORATE SERVICES DEPARTMENT</b>								
23 July 2018	ICT Steering committee report (April to June 2018)	<ul style="list-style-type: none"> <li>- The audit committee recommended that on the quarterly reports to the committee, the ICT department should include: <ul style="list-style-type: none"> <li>➤ AG Findings report</li> <li>➤ Report on the projects, budget, implementation and monitoring</li> <li>➤ Progress report on the ICT framework implementation</li> </ul> </li> </ul>						
	4 <sup>th</sup> quarter human resource report And Report on record management plan and activities	<ul style="list-style-type: none"> <li>- The audit committee took note of the reports.</li> <li>- The audit committee requested that senior manager corporate services send the draft record management policy to the audit committee members for giving inputs before council approval.</li> </ul>						

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
<b>INTERNAL AUDIT REPORTS</b>		
23 July 2018	Progress report on internal audit annual plan 2018/2019	- Audit committee noted the report that the progress on internal audit plan is 90% completed with only two audits at reporting stage for ICT and SCM.
	Internal audit reports	<ul style="list-style-type: none"> <li>- The audit committee noted the following reports by internal audit for audits conducted during the fourth quarter of 2018/2019 financial year: <ul style="list-style-type: none"> <li>➢ AG action plan progress report</li> <li>➢ Internal audit follow-up report</li> <li>➢ Budget management report</li> <li>➢ Assets management report</li> <li>➢ Expenditure management report</li> <li>➢ Revenue management report</li> <li>➢ Executive support report</li> <li>➢ Draft SCM report</li> <li>➢ Ad-hoc- third party reliance review report</li> </ul> </li> </ul>
	Draft three-year strategic internal audit plan and 2018/2019 annual operational plan	<ul style="list-style-type: none"> <li>- The audit committee reviewed and approved the three-year strategic internal audit plan and 2018/2019 annual operational plan.</li> <li>- With concerns raised about resources in the internal audit unit and that management should ensure efficient recruitment process.</li> </ul>
	Internal Audit Charter, Audit Committee charter and Internal Audit Methodology	<ul style="list-style-type: none"> <li>-Audit committee: <ul style="list-style-type: none"> <li>➢ Approved the internal audit charter for 2018/2019;</li> <li>➢ Recommended the audit committee charter 2018/2019 for council approval;</li> <li>➢ Approved the internal audit methodology for 2018/2019.</li> </ul> </li> </ul>
<b>RISK MANAGEMENT REPORT</b>		
23 July 2018	Risk management committee report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee took note of the report with recommendation that: <ul style="list-style-type: none"> <li>➢ The audit committee be provided with statistics on the quarterly reports and the operational and strategic risk registers be considered at the risk committee meeting.</li> <li>➢ The risk management plan should include all activities such as business continuity, investment register and OHS risk assessment.</li> <li>➢ The municipal manager should approve the risk management plan and recommend it to risk committee</li> <li>➢ The risk policies are approved by Council.</li> </ul> </li> </ul>
	Draft councillors protection policy	The audit committee took note of the draft councillors' protection policy and expressed concern that the policy is not informed by any law or regulation.

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
<b>COMPLIANCE OFFICE REPORTS</b>		
23 July 2018	Compliance report 2018/2019	The audit committee took note of the report and enquired on the possibility of capacitating the compliance office with an intern for assistance with the compliance work.
	Draft 2018/2019 compliance monitoring plan	The audit committee took note of the plan and recommended to send inputs on the policy through email.
<b>1<sup>ST</sup> and 2<sup>ND</sup> PECIAL AUDIT COMMITTEE MEETING – 17 AND 29 AUGUST 2018</b>		
17 August 2018 And 29 August 2018	Annual performance report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed the annual performance report for 2018/2019 and made recommendations as follows: <ul style="list-style-type: none"> <li>➢ PMS with the assistance of internal audit should ensure that the budget spending target is in line with information reflected in the draft and final annual financial statements.</li> <li>➢ General KPI's not achievable should not be removed from the annual performance report.</li> <li>➢ Ensure that all portfolio of evidence files that support the targets achieved are in order and if not then the target must be recorded as not achieved.</li> </ul> </li> </ul>
	Internal Audit report on the 4 <sup>th</sup> quarter performance report	<ul style="list-style-type: none"> <li>- The audit committee reviewed and took note of the internal audit report on the 4<sup>th</sup> quarter performance.</li> <li>- Audit committee recommended that management should ensure that all outstanding issues are resolved and finalised to ensure better audit opinion.</li> </ul>
	Internal Audit report on Draft 2018/2019 AFS Review	<ul style="list-style-type: none"> <li>- Audit committee took note of Internal Audit report on Draft 2018/2019 AFS Review.</li> <li>- The audit committee recommended that assurance should be given on how prior year issues were resolved.</li> <li>- That all issues raised by internal audit be resolved by management.</li> </ul>
	Draft 2018/2019 Annual financial statements	<ul style="list-style-type: none"> <li>- The audit committee reviewed the draft 2018/2019 Annual financial statements and recommended that management should thoroughly review the draft prior submission to AGSA and ensure that there is supporting documentation to support all disclosed figures.</li> </ul>
<b>3<sup>RD</sup> SPECIAL AUDIT COMMITTEE MEETING- 06 SEPTEMBER 2018 WITH AGSA</b>		
06 September 2018	Audit engagement letter	The audit committee reviewed and took note of the AGSA audit engagement letter.
	Audit strategy	The audit committee reviewed and took note of the AGSA audit strategy.

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
<b>1<sup>ST</sup> ORDINARY AUDIT COMMITTEE MEETING- 26 OCTOBER 2018</b>		
<b>MANAGEMENT REPORTS</b>		
26 October 2018	1 <sup>st</sup> Quarter performance report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed the 1<sup>st</sup> quarter performance report for 2018/2019 and made recommendations as follows:           <ul style="list-style-type: none"> <li>➢ The performance report summary per quarter should include statistics of the previous year for comparison with the current year's progress.</li> <li>➢ Challenges must be stated for all infrastructure projects where the targets are not achieved.</li> <li>➢ The audit committee questioned whether the target under finance is not under targeted as 2.5% compared to the reported progress of 29% in the 1<sup>st</sup> quarter.</li> <li>➢ The audit committee expressed concern with regards to low performance for the development planning and LED department.</li> </ul> </li> </ul>
	1 <sup>st</sup> quarter litigation report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed the litigation report and advised that the report be improved by including a column to update progress movement for cases.</li> </ul>
<b>FINANCE DEPARTMENT REPORTS</b>		
	AGSA audit progress report	<ul style="list-style-type: none"> <li>- The audit committee noted report given verbally by the CFO on the progress of the audit in progress by AGSA.</li> <li>- At the time of the meeting there was 35 RFI's and 34 were attended to with one in progress to be addressed for donation of assets.</li> </ul>
	Asset register report	<ul style="list-style-type: none"> <li>- Audit committee reviewed and noted the asset register report for the 1<sup>st</sup> quarter of 2018/2019 as reported by management that:           <ul style="list-style-type: none"> <li>➢ There are no challenges at the moment and the asset verification are done and register was submitted to AGSA FOR 2018/2019 financial year.</li> <li>➢ CFO advised that they are receiving the full support from the external consultant and they have one official from the consultant assisting to respond to AGSA queries.</li> </ul> </li> </ul>
	Unauthorised/irregular and fruitless and wasteful expenditure (UIF)-(July to September 2018)	<ul style="list-style-type: none"> <li>- The audit committee reviewed and noted the report of Unauthorised/irregular and fruitless and wasteful expenditure (UIF)-(July to September 2018) amounting to <b>R 33 427.21</b></li> <li>- The audit committee advised that the CFO should consider consolidating all fruitless expenditure from Eskom and have a meeting with the Eskom management to recover interests unduly charged by Eskom.</li> </ul>

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
	1 <sup>st</sup> quarter report on debt collection 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed the and noted the report by management on revenue collection that: <ul style="list-style-type: none"> <li>➤ The municipality no longer uses an external debt collector and that collection is done internally.</li> <li>➤ The plan is to install prepaid meters in Groblersdal as a process to assist with revenue collection.</li> <li>➤ Challenges are experienced by the municipality in areas where the municipality is not supplying electricity.</li> </ul> </li> </ul>
	1 <sup>st</sup> quarter section 52 report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed and took note of the 1<sup>st</sup> quarter section 52 report for 2018/2019.</li> </ul>
	1 <sup>st</sup> quarter supply chain/procurement report( July to September 2018)	<ul style="list-style-type: none"> <li>- The audit committee reviewed and noted the 1<sup>st</sup> quarter supply chain/procurement report (July to September 2018). Only the tenders awarded by the municipality were noted.</li> <li>- The deviation report was not attached for review and the audit committee requested that the deviation report be made available to the members for review.</li> </ul>
	Overtime report (July 2018 to September 2018)	<ul style="list-style-type: none"> <li>- The audit committee reviewed the overtime report and requested that the overtime report should have a summary containing claimed overtime between quarters.</li> </ul>
<b>COMPLIANCE MANAGEMENT REPORT</b>		
	1 <sup>st</sup> quarter compliance report 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed and noted the compliance management report and recommended that compliance report should show: <ul style="list-style-type: none"> <li>➤ total number of quotations and tenders received;</li> <li>➤ How many complied and those that did not comply how many were returned back to management;</li> <li>➤ Escalate matters where management has disregarded the non-compliance that was identified.</li> </ul> </li> </ul>
<b>INFRASTRUCTURE SERVICE DEPARTMENT</b>		
	Infrastructure report (including initial plan, budget, progress report on spending, actual work done, variance and reasons) 2018/2019 (July to September 2018)	<ul style="list-style-type: none"> <li>- The audit committee reviewed and took note of the infrastructure report for the 1<sup>st</sup> quarter of 2018/2019.</li> <li>- The audit committee advised management: <ul style="list-style-type: none"> <li>➤ Consider inserting actual contractor costs on the report</li> <li>➤ The project management targets must meet the smart criteria, which means the projects must be time bound hence the request for start and planned completion date.</li> </ul> </li> </ul>

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
<b>CORPORATE SERVICES DEPARTMENT REPORT</b>		
	ICT Committee report 2018/2019 (July to Sept 2018)	<p>- The audit committee recommended that the ICT quarterly report should entail the following details for review:</p> <ul style="list-style-type: none"> <li>➢ ICT projects that are running and their progress and completion status</li> <li>➢ a summary report on how ICT is managing ICT risks</li> <li>➢ Progress on implementation of AG audit finding and internal audit findings</li> <li>➢ Performance of external ICT consultants and service providers.</li> </ul>
	1 <sup>st</sup> quarter human resource report (must include section 56 manager vacancies and contract performance)	<p>- The audit committee reviewed the 1<sup>st</sup> quarter human resource report and noted the report from management:</p> <ul style="list-style-type: none"> <li>➢ The delay regarding the position is due to the limitation of office space and that they have received a red flag from the safety and occupational forum to create a conducive working environment.</li> <li>➢ That they will prioritise and fill the positions which have 60% outside duties and 40% internally e.g. infrastructure positions. The plan with other position is that the finance division will be revamped to be an open plan office in order to create a bigger space and accommodate new employees.</li> <li>➢ Municipal manager accepted advice by audit committee of looking into considering all avenues including the properties owned by the Municipalities that are vacant.</li> </ul>
	Report on records management activities 2018/2019	<p>- The audit committee reviewed and noted the report on records management activities that there is a skill shortage, experience and filing space challenge within records management.</p>
<b>EXECUTIVE SUPPORT DEPARTMENT REPORT</b>		
	1 <sup>st</sup> quarter council resolution implementation register 2018/2019	<p>- The audit committee reviewed the 1<sup>st</sup> quarter council resolution implementation register and made recommendation that a column for marking resolution as implemented or not implemented be considered to be included on the report, this will assist in clearly identifying the number of resolutions implemented and those that are still outstanding.</p>
<b>RISK MANAGEMENT REPORT</b>		
	Quarterly risk management report 2018/2019	<p>- The audit committee reviewed the quarterly risk management report for the 1<sup>st</sup> quarter of financial year 2018/2019 and applauded the risk unit for implementing the project risk report.</p> <p>- The audit committee noted that for the 1<sup>st</sup> quarter 61% risk action plans as per risk register have been implemented.</p>

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
		-
<b>INTERNAL AUDIT REPORT</b>		
	Progress report on the internal audit annual plan 2018/2019	<ul style="list-style-type: none"> <li>- The audit committee reviewed the progress report on the internal audit annual plan for the 1<sup>st</sup> quarter of 2018/2019 and noted that out of 21 annual planned audits, 3 have been completed, 2 are in progress and 16 not started yet.</li> <li>- The audit committee advised that the plan is supposed to be at 25% at the end of the first quarter.</li> </ul>
	Internal audit reports	<ul style="list-style-type: none"> <li>- The audit committee noted the reports of internal audit presented at the meeting of: <ul style="list-style-type: none"> <li>➢ 1<sup>st</sup> quarter performance review</li> <li>➢ Community services department review</li> </ul> </li> <li>- The audit committee recommended that the community services finding where management is disagreeing be revisited by internal audit with management.</li> </ul>
<b>2<sup>ND</sup> ORDINARY AUDIT COMMITTEE MEETING – 07 FEBRUARY 2019</b>		
<b>MANAGEMENT REPORTS</b>		
07 February 2019	Mid-year performance report 2018/2019	<p>Audit Committee reviewed the mid-year performance report 2018/2019 and expressed concern on the declined performance for quarter 1 and 2. The Audit Committee recommended that:</p> <ul style="list-style-type: none"> <li>- Management should put reasonable measures in place to improve the performance.</li> <li>- The Audit Committee noted the report from management that the municipality experienced overspending on contracted services that had a major effect on the cash flow; the Audit Committee recommended that Internal Audit should conduct an audit on outsourced services.</li> </ul>
	Draft Annual report 2018/2019	The Audit Committee reviewed and took note of the Draft Annual Report 2018/2019.
	2 <sup>nd</sup> Quarter litigation report 2018/2019	The Audit Committee took note of the litigation report as reported by management on cases that have been long overdue.
	AGSA Action Plan for the 2018/2019 audit report	The AGSA Action Plan for the 2018/2019 audit report was reviewed and the Audit Committee recommended that a summary to reflect progress statistics should be added to the Action Plan. The Audit Committee further urged management to ensure that reasonable measures are taken to ensure that the Action Plan is implemented to avoid regression in the audit outcome for the 2018/2019 financial year.
<b>FINANCE DEPARTMENT REPORTS</b>		
07 February 2019	Asset Register Report	The Audit Committee reviewed the 2 <sup>nd</sup> quarter assets management report and noted the challenges as reported by management of shortage of staff, working tools and storage of obsolete assets.

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
	Unauthorised/Irregular and fruitless and wasteful expenditure (UIF) 2018/2019	<p>The Audit Committee reviewed the 2<sup>nd</sup> quarter Unauthorised/Irregular and Fruitless and wasteful expenditure and noted that the municipality is experiencing challenges with financial constrain and therefore not able to pay certain creditors on time as reported by Management.</p> <p>The Audit Committee was concerned that the Municipality paid a total of R 428 023.65 penalty to SARS as a result of not paying the tax on time. The Audit Committee advised Management to consider prioritising payments to SARS as the penalty charges are extremely high.</p> <p>The Audit Committee recommended that management should develop a financial recovery plan.</p>
	2 <sup>nd</sup> Quarter report on revenue management 2018/2019	<p>The Audit Committee reviewed the 2<sup>nd</sup> quarter report on revenue management and noted a significant improvement in collections during the months of October and November 2018.</p> <p>The Audit Committee advised management that the report should show the collection in ageing.</p>
	2 <sup>nd</sup> Quarter section 52 report (Oct to December 2018)	The Audit Committee reviewed the 2 <sup>nd</sup> quarter section 52 report and noted that the employee cost and other expenditure total for the year is more than what the municipality budgeted for due to payment of leave days as reported by Management.
	2 <sup>nd</sup> quarter supply chain/procurement report 2018/2019	The Audit Committee took note of the report provided by management on 2 <sup>nd</sup> quarter deviations and orders.
	Overtime report (Oct-Dec 2019)	The Audit Committee took note of the report and appreciated the improvement reflected on the overtime report for the 2 <sup>nd</sup> quarter.
<b>COMPLIANCE REPORTS</b>		
07 February 2019	2 <sup>nd</sup> quarter compliance report 2018/2019	The Audit Committee reviewed and took note of the compliance report. The Audit Committee advised the Compliance Officer to start checking compliance with other legislations applicable to the Municipality rather than focusing on supply chain only.
<b>INFRASTRUCTURE SERVICES DEPARTMENT REPORT</b>		
07 February 2019	Infrastructure report (Including initial plan, budget, progress report on spending actual work done, variances and reasons) 2018/2019	<p>The Audit Committee took note of the Infrastructure report, that:</p> <ul style="list-style-type: none"> <li>- The Municipal Infrastructure Grant projects are performing well.</li> <li>- Internally funded projects are not doing well in terms of expenditure and the department is waiting for the budget adjustment to proceed with the procurement processes.</li> </ul>
<b>CORPORATE SERVICES DEPARTMENT</b>		

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
07 February 2019	2 <sup>nd</sup> quarter ICT Steering Committee report	The Audit Committee took note of the ICT report that: <ul style="list-style-type: none"> <li>- There was no ICT Steering Committee meeting held during the 2<sup>nd</sup> quarter;</li> <li>- The ICT AGSA Action Plan did not have any findings as the findings relate to finance; and ICT projects currently implemented.</li> </ul>
	2 <sup>nd</sup> quarter human resources report	The Audit Committee reviewed the 2 <sup>nd</sup> quarter human resource report and noted the vacant post of Chief Financial Officer and management reported that the post has been advertised with the recruitment process started with shortlisting process.
	Report on records management plan and activities	The Audit Committee reviewed the report on records management plan and activities and noted that: <ul style="list-style-type: none"> <li>- Records Management Policy, Registry Procedure Manual and General File Plan were confirmed and approved by the Office of Provincial Archivist. Now these documents will be presented to Council. The proposed implementation date will be March 2019.</li> <li>- The municipality is experiencing a challenge with filing space to ensure proper record management.</li> </ul>
<b>EXECUTIVE SUPPORT DEPARTMENT</b>		
07 February 2019	2 <sup>nd</sup> quarter council resolutions implementation register/report 2018/2019	The Audit Committee reviewed the 2 <sup>nd</sup> quarter council resolutions implementation register/report 2018/2019 and advised that the resolution register should include a status column and summary report.
<b>RISK MANAGEMENT REPORT</b>		
07 February 2019	Quarterly risk management committee report 2018/2019	The Audit Committee reviewed the 2 <sup>nd</sup> quarter risk management committee report 2018/2019 and noted that the risk management unit has procured the risk management software called Barnowl.
<b>INTERNAL AUDIT REPORT</b>		
07 February 2019	Progress report on Internal Audit annual plan 2018/2019 (Oct-December 2018)	The Audit Committee noted the report on the 2 <sup>nd</sup> quarter progress report on Internal Audit annual plan 2018/2019 that due to insufficient capacity of staff in the internal audit unit and additional requests by Audit Committee to perform an audit on outsourced services, the plan may need to be adjusted.
	Internal Audit reports	The Audit Committee took note of the work done by internal audit during the 2 <sup>nd</sup> quarter, the reports that were noted are for the following departments: <ul style="list-style-type: none"> <li>- Executive support</li> <li>- Development planning</li> <li>- Infrastructure department</li> <li>- Performance management systems review</li> <li>- Follow up report on internal audit findings- at 42% addressed with most of the findings not due for action yet.</li> </ul>

MEETING DATE	ITEM UNDER DISCUSSION	RECOMMENDATIONS
	Quality Assurance state of readiness review report	The Audit Committee took note of the Final Quality Assurance state of readiness review report. National Treasury based on the municipality requesting through Provincial Treasury performed the review and issued the report that the Internal Audit Activity partially conforms.
<b>5<sup>TH</sup> SPECIAL AUDIT COMMITTEE MEETING – 20 FEBRUARY 2019</b>		
<b>MANAGEMENT</b>		
20 February 2019	Draft Adjusted SDBIP 2018/2019	<p>The Audit Committee reviewed the Draft Adjusted SDBIP 2018/2019, and made the following recommendations:</p> <ul style="list-style-type: none"> <li>- Director Corporate Services to present draft criteria for approving study financial assistance for inputs by the audit committee members in the next audit committee meeting.</li> <li>- PMS to assist with monitoring of the implementation of the suggestion of the Audit Committee based on the concern that some KPI's are not measuring the right deliverables that will add value to the municipality, for example KPI's that require reports, such as Occupational Health and Safety, Customer Service, Legal and SCM for the 2019/2020 financial year SDBIP.</li> <li>- CFO must submit an investment register in all Audit Committee meetings showing current investments amounts and details of banks where the investment is held.</li> </ul>
<b>FINANCE DEPARTMENT</b>		
20 February 2019	Draft adjusted budget 2018/2019	<p>The Audit Committee reviewed the draft adjusted budget 2018/2019 and took note of the report after receiving clarity on the questions asked by the Audit Committee on the following:</p> <ul style="list-style-type: none"> <li>- Decrease and underperformance of property rates</li> <li>- Banks that the municipality is currently investing with and whether the investment policy is being implemented.</li> <li>- Interest charges on outstanding debtors.</li> <li>- Depreciation on municipal infrastructure</li> <li>- Mechanisms used for asset disposal</li> <li>- How saving will be realised by cutting off electricity in Roosenekal</li> <li>- Why repairs and maintenance are not done and yet they have been budgeted for.</li> <li>- Whether all departments were consulted when adjusting the budget.</li> </ul>
<b>INTERNAL AUDIT REPORT</b>		
20 February 2019	Adjusted Internal Audit Plan 2018/2019	The Audit Committee reviewed and approved the adjusted Internal Audit Plan 2018/2019 at the meeting as presented by management.

**Long-Term Contracts (20 Largest Contracts Entered into 2018/2019)**

Number	Description of services rendered by service provider	Name of service provider (entity of municipal department)	Contract value	PERIOD		End User Dept.
				Start date of contract	Expiry date of contract	
1.	Kgaphamadi construction of bus route, bridge and storm water control	Sihle Civil and Project Development	R38,559,782.92	30-July-2018	30-June-2020	Infrastructure
2.	Construction of Laersdrift bus road	Mothakge Phadima Construction	R14,949,833.25	27-July-2018	30-June-2019	Infrastructure
3.	Mpheleng construction of bus route and strom water control	Maditsi Jan Construction and Projects	R8,887,024.00	30-July-2018	30-June-2019	Infrastructure
4.	Kgoshi Mathebe, Matsepe and Makgopheng construction of ring road and storm water control	Moleleki A Tlala Transport and Projects	R7,959,030.97	10-Oct-2018	30-June-2019	Infrastructure
5.	Groblerdal Roads and Streets	Kgwadi Ya Madiba	R4,420,005.45	24-May-2019	30-June-2019	Infrastructure
6.	Development of Fleet Centre	Shatadi Developers	R4,675,939.46	8-Oct-2018	30 June 2020	Infrastructure
7.	Supply and deliver of cold mix asphalt and road marking paint for period of 36 months	Perpetua Investment Holdings	R 16 481,60	01-Feb-18	30-Jan-21	Infrastructure
8.	Recapitalisation of fleet and management solution	Fleet Horizon Solutions	R 66,986,334.87	06-Jul-18	05-Jul-21	Infrastructure
9.	Appointing service provider for assessment and development of energy efficient public lighting master plan for all wards within municipality area	AES Consulting	R 668 040,00	09-May-18	28-June-2019	Infrastructure
10.	Energy Efficiency and Demand Site Management	Xsemble	R5,000,000.00	22-Jan-2019	22-Aug-2021	Infrastructure

11	Electrification of Masakaneng	KF Phetla Projects	R3,344,000.00	25-July-2018	30-June-2019	Infrastructure
12	Electrification of Makaepa	Lefhumo Lwa Barema Trading	R3,300,000.00	25-July-2018	30-June-2019	Infrastructure
13	Electrification of Tambo	Lefhumo Lwa Barema Trading	R3,344,000.00	25-July-2018	30-June-2019	Infrastructure
14						

**APPENDIX H – LONG-TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP**

**APPENDIX I - MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE**

Not applicable

**APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS**

Disclosures of Financial Interests		
Period 1 July 2018 - 30 June 2019		
Position	Name	Description of Financial Interest*
(Nil/or details)		
( Mayor)	Cllr: Mathebe L.J	Nil
Speaker	Cllr: Tladi M.D	Nil
EXCO members	Cllr:Matjomanne G.D	Nil
	Cllr: Phatlane A	Nil
	Cllr: Mmutle T.N	MTN
	Cllr: Mashilo M.S	Nil
	Cllr: Phetla M.G	Nil
	Cllr: Maloba A.M	Nil
	Cllr: Shai K.C	50% Shareholder of Shaizo
	Cllr: Kotze J.P	Nil
		Nil
Councillors	51 councillors	
Municipal Manager	Maredi R.M	Nil
Chief Financial Officer		
Other S57 Officials		
Director Community Services	Kegopotsemang	Nil
Director Infrastructure	Makgata R	Nil
Director Corporate services	Matumane M.D	96 Public Shares- Sasol Inzalo
Director Development Planning	Phala N.W	Phuthumanathi Share  Welkom Yizani Shares
Director Executive support	Kgwale M.M	500 Ordinary Share Sasol Inzalo

**APPENDIX K – REVENUE COLLECTION PERFORMANCE**

Description	2016/17	Budget Year 2018/2019							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>								%	
<b>Revenue By Source</b>									
Property rates	25,815	26,472	34,805	2,522	33,569	34,805	(1,236)	-4%	34,805
Service charges - electricity revenue		81,206	81,206	5,814	72,481	81,206	(8,726)	-11%	81,206
Service charges - water revenue	70,745	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		8,616	11,616	671	9,390	11,616	(2,225)	-19%	11,616
Service charges - other	6,506	–	–	–	–	–	–	–	–
Rental of facilities and equipment		1,935	1,000	27	621	1,000	(379)	-38%	1,000
Interest earned - external investments	1,319	3,701	2,500	25	2,106	2,500	(394)	-16%	2,500
Interest earned - outstanding debtors	2,889	6,260	14,260	667	9,693	14,260	(4,567)	-32%	14,260
Dividends received	6,469	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		30,000	55,016	323	7,666	55,016	(47,350)	-86%	55,016
Licences and permits	50,885	5,171	4,500	409	4,866	4,500	366	8%	4,500
Agency services	5,255	–	–	–	–	–	–	–	–
Transfers and subsidies		226,163	226,163	175	211,598	226,163	(14,565)	-6%	226,163
Other revenue	213,105	2,499	13,678	66	9,408	13,678	(4,269)	-31%	13,678
Gains on disposal of PPE	8,098	–	–	–	2,400	–	2,400	#DIV/0!	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>391,085</b>	<b>392,023</b>	<b>444,744</b>	<b>10,697</b>	<b>363,799</b>	<b>444,744</b>	<b>(80,945)</b>	<b>-18%</b>	<b>444,744</b>
<b>Expenditure By Type</b>									
Employee related costs	117,781	123,460	126,137	868	121,660	126,137	(4,477)	-4%	126,137
Remuneration of councillors	20,298	22,113	23,430	1,875	22,433	23,430	(997)	-4%	23,430
Debt impairment	21,128	26,372	26,372	–	–	26,372	(26,372)	-100%	26,372
Depreciation & asset impairment	47,998	51,200	51,200	–	–	51,200	(51,200)	-100%	51,200
Finance charges	1,426	3,124	1,124	–	281	1,124	(843)	-75%	1,124
Bulk purchases	65,729	69,165	70,165	(4,289)	57,682	70,165	(12,483)	-18%	70,165
Other materials	12,873	13,497	11,821	927	8,797	11,821	(3,024)	-26%	11,821
Contracted services	43,080	25,350	65,237	1,665	62,694	65,237	(2,542)	-4%	65,237
Transfers and subsidies	708	3,724	2,984	111	6,531	2,984	3,547	119%	2,984

Description	2016/17		Budget Year 2018/2019						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other expenditure	161,695	48,384	50,923	3,996	45,179	50,923	(5,744)	-11%	50,923
Loss on disposal of PPE	3,360	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>496,076</b>	<b>386,388</b>	<b>429,392</b>	<b>5,153</b>	<b>325,257</b>	<b>429,392</b>	<b>(104,135)</b>	<b>-24%</b>	<b>429,392</b>
<b>Surplus/(Deficit)</b>	<b>(104,990)</b>	<b>5,635</b>	<b>15,352</b>	<b>5,544</b>	<b>38,541</b>	<b>15,352</b>	<b>23,189</b>	<b>0</b>	<b>15,352</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	68,930	70,860	98,349	5,283	78,891	98,349	(19,458)	(0)	98,349
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–					–	–	
Transfers and subsidies - capital (in-kind - all)		–					–	–	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(36,060)</b>	<b>76,495</b>	<b>113,701</b>	<b>10,827</b>	<b>117,432</b>	<b>113,701</b>			<b>113,701</b>
Taxation		–					–	–	
<b>Surplus/(Deficit) after taxation</b>	<b>(36,060)</b>	<b>76,495</b>	<b>113,701</b>	<b>10,827</b>	<b>117,432</b>	<b>113,701</b>			<b>113,701</b>
Attributable to minorities		–						–	
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(36,060)</b>	<b>76,495</b>	<b>113,701</b>	<b>10,827</b>	<b>117,432</b>	<b>113,701</b>			<b>113,701</b>
Share of surplus/ (deficit) of associate		–						–	
<b>Surplus/ (Deficit) for the year</b>	<b>(36,060)</b>	<b>76,495</b>	<b>113,701</b>	<b>10,827</b>	<b>117,432</b>	<b>113,701</b>			<b>113,701</b>

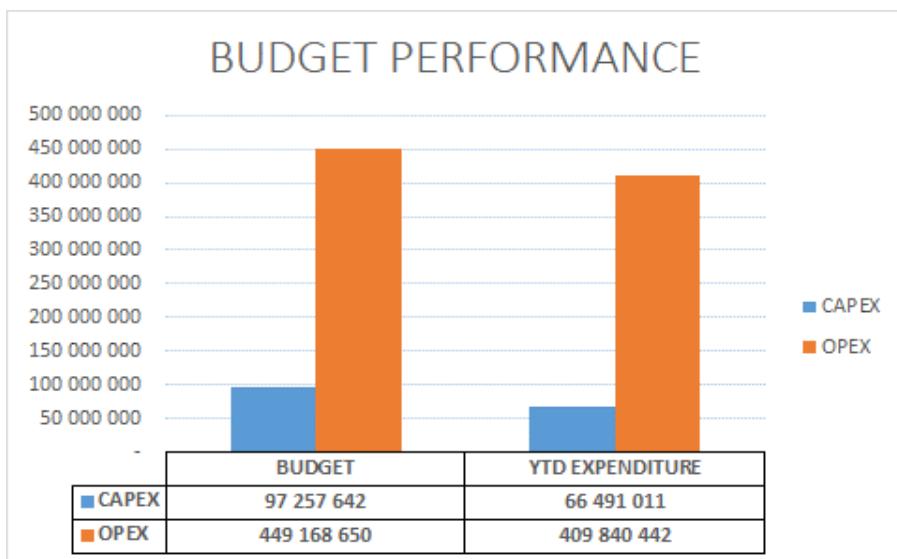
**APPENDIX L - CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG**

Conditional Grants: Excluding MIG						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Neighbourhood development				%	%	
Partnership grant						
INEP	R9,988,000.00	0.00	R9,988,000.00			
MIG	R53,832,000.00	R8,000.00	R61,832,000.00			
FMG	R1 770 000	0.00	R1 770 000			
EPWP	R1 002 000	0.00	R1 002 000			
<b>Total</b>						

## APPENDIX M CAPITAL EXPENDITURE NEW AND UPGRADE /RENEWAL PROGRAMMES INCLUDING MIG

### CAPITAL EXPENDITURE

GRAPH 5: CAPITAL EXPENDITURE 2018/2019



**APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2018/2019**

Capital Programme by Project 2018/2019 (,000)					
Capital Project	Original Budget	Adjustment Budget	Actual Expenditure	Variance (Act-Adj) %	Variance (Act-OB) %
<b>Water</b>					
District function					
<b>Sanitation/Sewerage</b>					
District function					
<b>Electricity</b>					
Electrification of Masakaneng	R3,344,000.00	0.00	R3,344,578.80		
Electrification of Makaapea	R3,300,000.00	0.00	R3,300,000.00		
Electrification of Tambo	R3,344,000.00	0.00	R3,342,043.22		
Energy Efficiency Demand Site Management	R5,000,000.00	0.00	R4,991,011.00		
<b>Roads and Storm Water</b>					
Kgaphamadi construction of bus route, bridge and storm water control	R19,942,000.00	0.00	R19,925,817.73		
Construction of Laersdrift bus road	R16,515,084.13	0.00	R13,254,298.31		
Mpheleng construction of bus route and strom water control	R9,750,000.00	0.00	R9,747,691.98		
Kgoshi Mathebe, Matspe and Makgopheng construction of ring road and storm water control	R9,000,000.00	877,217.41	R9,870,942.62		
Naganeng bus road and storm water control	R6,624,915.87	0.00	R6,624,915.87		
Groblersdal Roads and Streets	R4,420,005.45	0.00	R4,420,005.45		
Rehabilitation of Ramogwerane to Nkadimeng road	R1,725,000.00	0.00	R1,722,424.00		
Construction of Nyakoroane road	R1,500,002.00	0.00	R1,493,735.00		
Development of Fleet Centre	R5,881,377.04	0.00	R5,880,886.10		

**APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2018/2019**

Capital Programme by Project by Ward 2018/2019		
R'000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
<b>Water</b>		
District function		
<b>Sanitation/sewerage</b>		
District function		
<b>Electricity</b>		
Electrification of Masakaneng	14	Yes
Electrification of Makaepa	25	Yes
Electrification of Tambo	09	Yes
Energy Efficiency Demand Site Management	13	Yes
<b>Housing</b>		
<b>Cemeteries</b>		
<b>Roads &amp; stormwater</b>		
Kgaphamadi construction of bus route, bridge and storm water control	21	No (multi-year)
Construction of Laersdrift bus road	30	No
Mpheleng construction of bus route and strom water control	05	Yes
Kgoshi Mathebe, Matspe and Makgopheng construction of ring road and storm water control	10, 18, 25	Yes
Naganeng bus road and storm water control	3, 14	Yes
Groblerdal Roads and Streets	13	
Rehabilitation of Ramogwerane to Nkadimeng road	24	
Construction of Nyakoroane road	07	
Development of Fleet Centre	13	No (multi-year)

**APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS**

Service Backlogs: Schools & Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
<b>Schools (Names, Locations)</b>				
Not applicable	0	0	0	0
Not applicable	0	0	0	0

**APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION**

Service Backlogs Experienced by Community Where Another Sphere of Government is the Service Provider (Whether or Not Municipality Acts on Agency Basis)		
Services and locations	Scale of backlogs	Impact of backlogs
Clinics	none	
Housing	none	
Licensing and testing centre	none	
Reservoirs	none	
Schools (primary &high)	none	
Sports fields	none	

**APPENDIX R - DECLARATION OF LOANS AND GRANTS MADE BY MUNICIPALITY**

Declaration of Loans And Grants Made by Municipality 2018/2019				
All organisations or persons in receipt of loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2018/2019 R'000	Total amount committed over previous and future years
No grants and loans granted during the year under review				

**APPENDIX S - DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71**

MFMA Section 71 Returns Not Made During 2018/2019 According to Reporting Requirements	
Return	Reason return not properly made on due date
All MFMA Section 71 returns were made according to reporting requirements, and submitted in time	

**APPENDIX S - DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71**

**Not applicable: all information is addressed in the annual report**

**OVERSIGHT REPORT FOR THE 2018/2019  
ANNUAL REPORT**

## **VOLUME II: AUDITED ANNUAL FINANCIAL STATEMENTS**